Daily Report

Latin America

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Caribbean Delegation Considers Vote on Bosnia

FL2506020093 Bridgetown CANA in English 1714 GMT 24 Jun 93

[By Ulric Hetsberger]

[Text] Vienna, Austria, June 24, CANA—Barbados, Jamaica, and Trinidad and Tobago were unexpectedly caught up in sudden diplomatic consultations Thursday on how to cast their vote over a war raging under 200 kilometres from the venue of the international human rights conference here.

Islamic states on Thursday put a special declaration denouncing atrocities in Bosnia to the conference on human rights, despite opposition from Western states. The declaration was presented to a plenary session of the United Nations-sponsored conference by Pakistani delegate Agha Shahi, representing the 51-nation Organisation of the Islamic Conference (OIC).

Western nations led by the United States are attempting to kill the resolution, arguing the human rights conference cannot deal with country-specific issues and is therefore not the correct forum to address the conflict.

The civil war in the former Yugoslav Republic has left hundreds dead and nearly two million uprooted as Bosnian Serbs continue to attack Moslems and reduce their territorial space.

The three Caribbean Community delegations were believed to be consulting with their principals back home after being dragged into the affair, which may require a vote late Thursday.

Both Barbadian Ambassador Orlando Marville and Jamaica's Minister of State for Foreign Affairs Benjamin Clare remained tight-lipped on the positions they will adopt when the afternoon session resumes.

In demanding a vote, head of the Pakistani delegation and OIC president, Agha Shahi said the United Nations arms embargo against Bosnia had left Moslems defenceless.

The twelve-clause declaration calls for a lifting of the embargo against the republic of Bosnia-Herzegovina "in order to enable it to exercise its right to defence ... And in order to reverse the aggression perpetrated by Serbian forces and extremist elements..." It also demands a restoration of "the sovereignty, independence, and territorial integrity of Bosnia-Herzegovina."

There was confusion in the General Assembly when the African group, on the basis of equal treatment, sought and was granted permission by the chair to introduce another special declaration condemning genocide in Angola, where war is raging, with the opposition UNITA party refusing to recognise the elected government.

Arguing the conflict in Angola was of similar gravity, the African group demanded that the conference express its "alarm," and pressure UNITA "to stop the civil strife," and "to accept unreservedly the results of the democratic elections of 1992..."

Trinidad and Tobago Vote Yes on Bosnian Intervention

FL2506021093 Bridgetown CANA in English 2204 GMT 24 Jun 93

[By Ulric Hetsberger]

[Text] Vienna, Austria, June 24, CANA—Trinidad and Tobago stood alone among Caribbean Community states Thursday in voting in favour of virtual intervention in war-torn Bosnia-Herzegovina during a tension-racked debate at the World Conference on Human Rights, now into its closing stages in Vienna.

Permanent representative to the United Nations, Geneva office Ravi Permanand offered "no comment" on Port of Spain's yes vote, effectively urging, in particular, the UN Security Council, to bring "immediately to trial all persons suspected of committing crimes against humanity including war crimes" in the former Yugoslav Republic where civil war has decimated the Moslem population. The Moslems have also lost 70 percent of their territory to advancing Serb forces.

Trinidad and Tobago's vote succeeded in getting the human rights conference to adopt by two-thirds majority the declaration tabled by the powerful 51-nation Organisation of Islamic Conference. Barbados' ambassador to Brussels, Orlando Marville, found fault with the declaration and abstained from the vote.

"The situation obtaining (in Bosnia-Herzegovina) is an affront to human dignity," he told the packed conference plenary. "We regret, however, that we cannot vote for the resolution because of some of the language used. It makes reference, for instance, to the UN system in language we consider inappropriate."

Ambassador Marville told CANA Barbados took exception to a paragraph urging the international community to restore peace and stability to Bosnia "in order to restore credibility of and trust in the United Nations..." Marville described it as "terrible language," as it wrongly "questioned both the credibility and trust of the UN system."

Jamaica abstained without comment. Delegates from other Caricom countries were absent.

The resolution urged the immediate implementation of an effective ceasefire "accompanied by the neutralisation of all heavy weaponry, which should be placed under the control of the United Nations protection force, and the interdiction of all arms supplies to Serbian forces operating in the Republic of Bosnia-Herzegovina."

Another resolution brought by the African group to end the genocide in Angola was adopted by consensus and will go to the Security Council. It expressed alarm at the

continuing civil strife where more than three million people have been displaced, and thousands killed as a result of war.

The human rights conference is into its penultimate day, still struggling to find consensus on controversial clauses in a document to go before the plenary for adoption Friday.

Conference Drafts Resolution on Women's Rights

FL2406225593 Bridgetown CANA in English 1632 GMT 24 Jun 93

[Text] Vienna, Austria, June 24, CANA—An international conference on human rights has firmly condemned acts of violence and discrimination against women. The drafting committee came up with a resolution that demands, "the elimination of violence against women in public and private life, the elimination of all forms of sexual harassment, exploitation, and trafficking in women, and the elimination of gender bias in the administration of justice..."

One of seven consensual clauses in an "action plan" on womens' rights abuses said, "current violations of this kind, including in particular murder, systematic rape, sexual slavery, and forced pregnancy, require a particularly effective response."

"The World Conference urges the eradication of all forms of discrimination against women, both hidden and overt. The United Nations should encourage the goal of universal ratification by all states of the convention on the elimination of all forms of discrimination against women by the year 2,000," the text said.

"Treaty monitoring bodies should disseminate necessary information to enable women to make move effective use of existing implementation procedures in their pursuits of full and equal enjoyment of human rights and non-discrimination," it continued.

The resolution added: "the world conference reaffirms on the basis of equality between women and men, a woman's right to accessible and adequate health care and the widest range of family planning services, as well as equal access to education at all levels.

"The world conference urges governments and regional and international organisations to facilitate the access of women to decision-making posts and their greater participation in the decision-making process. It encourages further steps within the United Nations secretariat to appoint and promote women staff members in accordance with the United Nations charter, and encourages other principal and subsidiary organs of the United Nations to guarantee the participation of women under conditions of equality."

Bolivia's Ossio Addresses Peruvian CCD; Comments on Ilo

PY2406182493 Lima EL COMERCIO in Spanish 12 Jun 93 p A4

[Excerpts] Speaking at a solemn plenary session of the Democratic Constituent Congress (CCD), Bolivian Vice President Luis Ossio Sanjinez yesterday stated that Bolivians, without exception, are committed to upholding full and absolute respect for Peruvian sovereignty in those areas designed to promote development and progress in the port of Ilo.

With the above statement, Ossio dispelled doubts expressed by critics and congressmen about the creation of duty-free industrial and tourist zones for Bolivia in Ilo through agreements signed by the two countries, which were ratified by the CCD in May. He described the concerns expressed by these critics as legitimate.

The Bolivian vice president noted that the Ilo agreements were instrumental in expediting the discussion of old bilateral issues between Chile and Peru stemming from the 1929 Lima Treaty.

Ossio noted that even though a few Latin American countries have achieved spectacular growth, the region will not change because "until the whole of Latin America is integrated, the region will continue to play the role of a mere spectator of world events." [passage omitted]

Ossio announced that before the end of the next Bolivian constitutional term, there will be a Bolivian road to the border with Peru in the direction of Ilo. He added that if Peru does its part, Ilo will thus be connected to Sao Paulo and to the entire Brazilian road structure.

He added that by channeling its exports and imports through Ilo, Bolivia will obviously reduce its heavy dependence on Chilean ports. He noted that residents of northern Chile are aware that this could happen in the medium term. [passage omitted]

Colombia, Venezuela, Brazil To Hold Joint Maneuvers

PY2206232393 Rio de Janeiro O GLOBO in Portuguese 22 Jun 93 p 8

[From the "Swann" Column by Ricardo Boechat]

[Text] The Brazilian, Colombian, and Venezuelan Armed Forces will hold joint maneuvers in October in the Amazon Region.

The Armed Forces of the three countries have increasingly complained about the presence of U.S. troops in Guyana.

It will be the first operation of this type to be held in many years.

Northern Triangle Presidents Agree To Pursue Integration

PA2406155693 Tegucigalpa Telesistema Hondureno Television Network in Spanish 0100 GMT 23 Jun 93

[Text] On 23 June the integration process may have been saved. In addition to political issues, the three presidents of the Northern Triangle discussed the resumption of integration negotiations.

Guatemalan President Ramiro De Leon Carpio pledged to his counterparts from Honduras and El Salvador on 23 June to continue the effort to integrate the Central American region.

Presidents Callejas and Cristiani met on 23 June in Guatemala with De Leon Carpio. At the meeting the presidents discussed the postponement of the presidential summit until mid-August. However, on 17 July the presidents of the region will hold a work session to continue their talks.

The Northern Triangle presidents also decided to immediately resume talks on the economic aspects of integration.

[Begin Callejas recording] We discussed the need for a meeting of economic cabinets, which would be held immediately at the beginning of next week, for the purpose of following up the integration effort that Guatemalan President Ramiro De Leon Carpio pledged to continue. We specifically discussed the Central American Parliament and integration mechanisms, and I am truly pleased. It was a very cordial meeting; we all agreed on the need to continue and intensify the Central American processes, and on the importance of establishing an integration option based on democracy as a government system. [end recording]

The 23 June meeting between Callejas, Cristiani, and De Leon Carpio has strengthened the integration process, which was in danger of being blocked by the political events in Guatemala. According to President Callejas, President De Leon Carpio will maintain all of the agreements established thus far.

Cuba

Havana Radio Notes U.S. Representatives Vote Against Radio, TV Marti

PA2406153293 Havana Radio Havana Cuba in Spanish 0000 GMT 24 Jun 93

[Miguel de la Guardia commentary]

[Text] A subcommittee of the U.S. House of Representatives, the same colegislative body that just approved a motion for the United Nations to internationalize the blockade against Cuba, this week rejected a State Department request to continue financing the anti-Cuban Radio Marti and TV Marti. Both stations on a daily basis broadcast subversive programs to Cuba that are intended to bring about the downfall of the Cuban revolutionary government.

In the case of the so-called TV Marti, the U.S. Government has squandered several million taxpayers' dollars. TV Marti cannot be seen, many Cubans say in jest, alluding to the total interference of the signal through technical means designed and built in Cuba.

It must be said that this reluctance to continue misusing budget funds is a wise measure because, on one hand, the TV Marti signal has not been seen for more than five minutes in Cuban territory, although it has been on the air for several months. On the other hand, broadcasts by Radio Marti, which has been on the air since 1985, have not convinced anyone in Cuba. On 24 February, the Cuban people proved this when they voted overwhelmingly in favor of the revolution headed by Fidel Castro. Those general elections, which, in fact, were turned into a national plebiscite, showed that over 98 percent of the Cuban electorate supports the revolutionary government, the political directorate of the Communist Party of Cuba, and Commander in Chief Fidel Castro. This is more than well known.

The voices that were raised abroad asking that the Cuban revolution be subjected to a popular consultation have been decisively silenced. Therefore, what value can there be in screaming uselessly, lying in an unscrupulous and slanderous manner, only to please an abject minority of counterrevolutionaries in Cuba and a handful of inveterate reactionaries who brood over their frustrations in the United States? Why continue howling at the moon?

We are not confused by this gesture on the part of the U.S. cameral subcommission. We know it is not a friendly or positive gesture toward Cuba. All we want is to point out the resounding failure of the U.S. ultraradicals, grand godmothers of anti-Cuban radio and television broadcasts, in their attempts to gain support inside Cuba. That is all.

Cuban Position at Human Rights Conference Noted

FL2506014793 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 25 Jun 93

[Text] In Vienna today, Cuba condemned the virtual granting of authority to the UN Security Council in human rights matters in connection with the conflict in Bosnia-Herzegovina. Certain international media are reporting the Cuban delegation explained that the institutional project should be rejected because it goes against the UN charter.

At the same time, Cuba stressed before the plenum of the conference on human rights that such a decision would put a dangerous instrument for pressure into the hands of the Security Council, and that it constitutes an interventionist precedent.

The Cuban delegation also criticized the selective treatment accorded certain human rights situations, and pointed out that this fact, as well as the attitude of the UN Security Council, could constitute a threat to the underdeveloped countries, as is already happening in the horn of Africa.

Justice Minister Reviews Antinarcotics Program Objectives

FL2406151593 Havana Radio Rebelde Network in Spanish 2300 GMT 23 Jun 93

[Text] On 22 June, Justice Minister Carlos Amat Fores held a news conference regarding the schedule of activities for the International Fight-Against-Drugs Day on 26 June.

[Begin recording] Seminars and public health conferences on the control of drugs have been organized. These controls have been established not only internationally but also by Cuba and are being perfected each day to increase their effectiveness. This includes the efforts of Interior Ministry and Customs officers, and measures taken to prevent the introduction of drugs into Cuba by travelers and tourists. As a matter of justice, we uphold the regulations and organizational arrangements. As a conclusion to these activities, we are planning to hold a seminar at the Cuban United Nations Association on 25 June in which specialists from diverse fields will participate. [end recording]

Amat also stressed Cuba's successes in the fight against drugs:

[Begin recording] I would say that the main success of the fight against drugs in Cuba has been in preventing the introduction of drugs and the rise of a social malady, with the damaging effects that have resulted in many other countries. The second success is having developed a series of mechanisms, specialists, and vigilance systems, not only to prevent what I just mentioned, but also to impede and block international drug traffic. We are not interested only in our own society; we are thinking in

global terms. We feel we have made an important contribution each time we stop one of these acts. There has been a steadfast commitment to this, which we will continue to uphold. [end recording]

Jordan Advocates 'More Severe Action' Against Crime

FL2406225693 Havana Radio Reloj Network in Spanish 1945 GMT 24 Jun 93

[Text] Alfredo Jordan Morales, member of the Politburo of the Communist Party of Cuba [PCC] and PCC first secretary in Las Tunas Province, has called for increased revolutionary vigilance and for more severe action to be taken against crimes. Jordan told political, administrative, and mass organization leaders that although criminal activity has dropped by approximately 26 percent in the state sector, there is a tendency toward an increase in such activity in residential areas, where it affects the population directly.

Jordan stressed that at the present moment, the theft and slaughter of large livestock takes on a counterrevolutionary connotation because it means less meat and milk for the population, especially the children, the elderly, and the sick. Jordan added that we should be more severe with those who steal cattle, agricultural products, and other products acquired abroad in order to distribute them to the population. [sentence as heard]

Robaina Tours PRC Provincial Socioeconomic Centers

FL2406235993 Havana Radio Reloj Network in Spanish 1958 GMT 24 Jun 93

[Text] Cuban Foreign Minister Roberto Robaina talked with Shandong Province authorities today about the development of economic and commercial ties between that northern region of China and Cuba. Last Tuesday, Robaina and his companions traveled from the capital, Beijing, to Quingdao on the Chinese coast. In Quindao, they made contact with various leaders and visited the international trade fair set up there.

Among the prominent figures who have met with Robaina are (San Fulian), secretary of the local CPC committee, said (Rene Mojica), the Cuban foreign minister's advisor. According to a PRENSA LATINA dispatch, the delegation accompanying Robaina also toured a textile factory and other sites of socioeconomic interest.

During his visit to the coastal city of Quingdao, Robaina had an emotional meeting with the Cuban female volleyball team. The team is in Quinqdao, having been invited to participate in a match [tope] after winning the Grand Prix tournament in Hong Kong last week. Robaina spoke at length with the sportswomen. The Cuban team had beaten their Japanese rivals shortly before, stresses a PRENSA LATINA dispatch.

On Thursday, our country's delegation traveled to Yantai, a booming area of China. The delegation toured an important fish farming facility there, adds this source.

(Rene Mojica), Robaina's advisor, said the group had also been able to witness the progress made by Shandong, a region where the effects of the applied Chinese economic reform, underway for over 15 years, are visible and where a good basis for collaboration with Cuba exists.

Only Two Provinces Seen Meeting Spring Cane Planting Goals

FL2406163393 Havana Radio Reloj Network in Spanish 1433 GMT 24 Jun 93

[Text] According to the latest reports, Guantanamo and Havana are the only provinces with a real possibility of fulfilling their respective spring sugarcane planting plans. Guantanamo has 103 caballerias planted and needs to plant only another 17 caballerias in the last week of June. This is feasible under the daily planting rate this province has maintained.

Havana has 550 caballerias planted and must make a great effort to fulfill its spring planting plan. Yet it is feasible, thanks to the intense efforts in the sugarcane recovery program. Other reports show that the cumulative effect of setbacks will make it very difficult to meet plans in other provinces.

Council of State Appoints New Ambassador to India

FL2406161893 Havana Radio Reloj Network in Spanish 1449 GMT 24 Jun 93

[Text] The Council of State has appointed Comrade Olga Chamero Trias as extraordinary and plenipotentiary ambassador to the Republic of India. Chamero was the deputy director of the Asia and Oceania directory of the Foreign Ministry.

Roundup of Politburo Members' Activities 17 - 24 Jun

FL2406152193

[Editorial Report] The following is a compilation of fileworthy reports on the activities of members of the Politburo of the Central Committee of the Communist Party of Cuba carried on Havana radio and television in Spanish between 17 June and 24 Jun.

Radio Rebelde at 2300 GMT on 17 June reports that Candido Palmero, Havana's defense council president, stressed the positive results of the western provinces' Moncada-93 exercise, the culmination of one year of military preparedness efforts.

Radio Rebelde at 0900 GMT on 19 June reports that Osmany Cienfuegos presided over a ceremony at which the stamp commemorating the 30th anniversary of the

Ministry of Construction [Micons] Ministry was presented to 125 Micons founders, representing the more than 20,000 from all over Cuba who are to receive it.

Radio Rebelde at 1700 GMT on 19 June reports that the Communist Party of Cuba is holding its assembly in Colombia Municipality, Las Tunas Province. Alfredo Jordan is in attendance. The radio correspondent reports that he, himself, feels the most important development of this assembly was Jordan's asking the delegates how many of them were actually involved in food production—how many worked directly in the field. The answer was: only one.

Jordan called on delegates present to reflect upon the fact that the man in question thus represents 0.4 percent of the total delegates. Jordan said: This shows us that we are not at the center of the problem, but on its periphery. Jordan pointed out that the party was not going to achieve what the Revolution needs for it to achieve by following such a path. Jordan said the party has to make a great effort to be at the center of problems rather than on the periphery.

Tele Rebelde and Cuba Vision Networks at 0000 GMT on 23 June report that the opening ceremony for the campaign on the occasion of the 30th anniversary of the first massive graduation ceremony for nurses after the triumph of the Revolution was held today at the Public Health Ministry, with Jose Ramon Machado Ventura and Health Minister Julio Teja in attendance.

Tele Rebelde and Cuba Vision Networks at 0000 GMT on 24 June report that Candido Palmero presided over a banner-awarding ceremony on 24 June for over 500 cadets and teachers from the Ministry of Interior's Hermanos Martinez Tamayo Higher Institute who are leaving to do agricultural labor in Havana Province. This mobilization is in response to a call from the Communist Party of Cuba, which has asked for support for agricultural tasks in Havana Province at this particular moment.

Radio Rebelde at 2300 GMT on 23 June reports the makeup of the newly created national committee for the commemoration of the 100th anniversary of the War of Independence. In addition to Raul Castro as committee president and Juan Almeida Bosque as first vice president, members include Jose Ramon Balaguer and Armando Hart, vice presidents; Ismael Gonzalez, director of the Marti Studies Center, executive secretary; and Roberto Robaina, Fernando Vecino, and Luis Ignacio Gomez, the respective ministers of Foreign Relations, Higher Education, and Education.

Tele Rebelde and Cuba Vision Networks at 0000 GMT on 24 June report that Candido Palmero presided over a banner-awarding ceremony on 24 June for 500 cadets and teachers who are leaving the Ministry of Interior's Hermanos Martinez Tamayo Higher Institute to perform agricultural labor in Havana Province. This mobilization is in response to the Communist Party of Cuba's call for support there.

Radio Rebelde at 0900 GMT on 24 June reports that Jose Ramon Balaguer presided over the 23 June graduation of 37 foreign social studies students at the Nico Lopez National School of the Communist Party of Cuba.

Commentary on Economic Importance of Tourism, Hospitality

FL2506135693 Havana Radio Rebelde Network in Spanish 1155 GMT 25 Jun 93

["Our Opinion" commentary by Ariel Larramendi Villafanez]

[Text] The copious arrival of foreigners through tourism requires the Cuban people to shift their views regarding visitors. Cuba is developing a tourism infrastructure that promotes an increase in the number of foreigners which visit Cuba each year. For a long time, the real facts of the siege with which we have been burdened by the most powerful nation in the world, the misinformation generated by huge mass media conglomerates, and the lack of contact with foreigners resulted in viewing visitors, in general, as sympathizers with our project or the friendly advisers from the socialist block or the USSR.

Today, tourists visiting Cuba are, in certain cases, friends who come to offer their solidarity while others are people curious to find out what Cuba is all about. However, the majority of the visitors arrive on our beaches in search of what we have to offer: the sun, the sea, the lack of drugs, a friendly and hospitable people, and above all, the character forged from the mix of many races and its aftermath, our social and political stability.

The Cuban tourism industry and our facilities grow daily allowing the reception of hard currency which, conservatively speaking, will double within three years. There is not another hard currency source with a growth as dynamic as the tourism industry. This industry is the pivotal point for the development of other industries and the creation of jobs. The reception of hard currency is needed to sustain our social accomplishments.

The tourism industry is as noble as is demanding. A bad impression, discomfort, and poor service result in visitors coming only once, never to return. This represents an economic loss. Crime, attacks on foreigners, xenophobia, and racism have increased in a world filled with great economic and social conflicts. This has resulted in international tourism turning away from previous tourism hubs. In Cuba, it is imperative not to let prostitution, and illegal businesses and sales by small groups or individuals who damage the image of our people, take hold.

Tourists want to meet the people; they want to meet the best of our people. Let us give them an opportunity to get to know us. Cuban tourist attractions range from a hospital, a child care center, and the beaches to the colonial towns. Tourism is conducted by each one of us.

The Bahamas

Officials Arrest Illegal Haitians

FL2406220493 Bridgetown CANA in English 1546 GMT 24 Jun 93

[Text] Nassau, Bahamas, June 24, CANA—Bahamian immigration officers have arrested 103 illegal Haitian immigrants following a raid here Wednesday. The arrests are part of a continuing effort to rid the country of many of the illegal immigrants who live here.

Ninety-three men and 10 women were arrested in yesterday's raid and are currently being processed. Last week, it was officially reported that 68 Haitians were arrested. However, Charles Turnquest, director of the immigration department, said the number was higher but declined to elaborate.

"We are picking up all the time. It is a continuous process," he said. Last month, 400 Haitians were arrested in the islands of Abaco and Eleuthera. Three hundred have since been deported. Public safety and immigration minister, Arlington Butler, has announced a policy of last in, first out.

"We intend to be fair. We intend to be firm. We intend that those persons who have been here prior to 1980 will be given favourable consideration," Butler told Parliament last week. He said Bahamians must stop trying to get permits for people they do not employ, and stop trying to sell to them things which are stolen.

"For many years we witnessed the invasion of our territory by the dispossessed and oppressed and by the adventurers and plunderers," Butler said. "They manipulated the greed of our people. And they also manipulated our good nature and then tried to turn it into a profit. And all of this the Bahamian people watched and beheld with dismay," he added.

Barbados

PRC Delegation Pays Official Five-Day Visit

FL2406220593 Bridgetown CANA in English 1605 GMT 24 Jun 93

[Text] Bridgetown, Barbados, June 24, CANA—A delegation from the People's Republic of China will pay a five-day official visit to Barbados from Monday. The 13-member delegation will be led by Madame Chen Muhua, vice chairman of the standing committee of the National People's Congress (NPC).

The team will call on Governor General Dame Nita Barrow, Prime Minister Erskine Sandiford, and the minister of foreign affairs, Maurice King.

The Chinese will also visit the houses of parliament and tour the island. This official visit forms part of a regional tour.

Patterson Expresses Commitment to Electoral Reform

FL2406220693 Bridgetown CANA in English 1524 GMT 24 Jun 93

[Text] Bridgetown, Barbados, June 24, CANA—The Jamaican Government intends to push ahead with electoral reform, preferably in cooperation with the parliamentary opposition, Prime Minister P. J. Patterson has told the regional human rights network, Caribbean Rights. In a letter, Patterson told Caribbean Rights:

"Ours is a firm resolve to complete the process of electoral reform, so as to ensure that elections are not marred by acts of violence or malpractices. To this end, the government will take whatever steps are necessary, preferably in tandem with the opposition (Jamaica Labour Party), to put in place a system that avoids electoral malpractices of all forms." He said it was his government's intention "to repeal the Suppression of Crimes Act during the forthcoming legislative year."

Following the landslide electoral victory by his People's National Party (PNP) last March 30, Caribbean Rights wrote Patterson stating it had received "credible reports of gross malpractices, violence, and thuggery that were deplorable features of the electoral process."

While congratulating the prime minister on his election victory, Caribbean Rights reminded him of his expressed disapproval of events on election day. It urged Patterson, in the interest of Jamaica, to see that his government did everything possible to ensure free and fair elections to strengthen multi-party democracy.

The regional human rights organisation had also expressed its hope that the prime minister would soon repeal, as earlier promised, the country's Suppression of Crimes Act, which it claimed was being widely "abused" by the police in their anti-crime activities.

Haiti

Deputy Condemns UN Sanctions, U.S. 'Hostage'-Taking

FL2506005293 Port-au-Prince Radio Metropole in French 1600 GMT 24 Jun 93

[Excerpt] Deputy Evans Beaubrun criticizes the UN decision to apply sanctions against Haiti despite General Cedras' offer of dialogue. Analyzing the American position, the legislator thinks that the Haitian case has been taken hostage by the Clinton Government, which is using it to restore its fortune.

Deputy Beaubrun sees General Cedras' agreement to meet with Father Aristide as an important step, pointing out that the military institution, in its correspondence with Dante Caputo, has recognized Father Aristide as president.

Deputy Evans Beaubrun also denounced the international community which according to him is playing out a policy by two different yardsticks.

The legislator believes nonetheless that the negotiations must be pursued, and hails the coming summit between Aristide and Cedras. [passage omitted]

FNCD Letter to Nation Favors Aristide-Cedras Meeting

FL2506000393 Port-au-Prince Radio Metropole in French 1600 GMT 24 Jun 93

[Text] The National Front for Change and Democracy, FNCD, political formation, in favor of the return of the ousted president, encourages the initiative indicated by the meeting between Aristide and Cedras.

In a letter to the nation, Victor Benoit, Turneb Delpe, and Evans Paul urge all the influential sectors of the nation to diligently accelerate the ongoing negotiations. Recognizing the active efficiency of the international community, FNCD writes, quote: The initiative of a meeting between the two protagonists, President Jean-Bertrand Aristide and General Raoul Cedras, brings the negotiations to an advanced stage.

In this letter, FNCD asks all civilian and military patriots to use of their knowledge to help this meeting materialize, with the idea that it will constitute the decisive action ending the coup d'etat. The FNCD leaders also expressed their will to work with all national sectors interested in really solving the crisis, implying, according to FNCD, the resignation of the military from the political scene, the cancellation of all illegal acts that led to the 18 January electoral masquerade, the establishment of a concord government, and the return of President Aristide.

Army Deplores Aristide Preconditions

FL2406195793 Port-au-Prince Radio Metropole in French 1800 GMT 24 Jun 93

[Text] The Haitian Army says in a communique that the time for confrontation is obviously over. From now on, dialogue must inevitably lead to reconciliation.

The Army command also deplores the fact that preconditions have been imposed on this meeting, which should allow both parties the opportunity to jointly analyze the serious crisis that the nation has been facing for the last 20 months.

Radio Metropole Reviews Critical National Situation

FL2406175793 Port-au-Prince Radio Metropole in French 1045 GMT 24 June 93

[Text] Today, some 15 negotiations have failed, as has hope for a solution to the crisis under the conditions that have been set. It is also the expiration date of a rejected solution. Indeed, mediator Dante Caputo's proposal that the two protagonists of the crisis meet this weekend was rejected only a few days afer he made it. Dante Caputo had called it a very important step toward the transfer of power.

Let us review the facts that have led to this new political deadlock: The resignation of Prime Minister Marc Bazin on 8 June led, a week later, to the parliamentarians' passage of a decree recognizing the legitimacy of President Jean-Bertrand Aristide, ousted by a coup d'etat on 30 September 1991. Washington considered that decision a necessary step. However, the action was not binding because it was approved by a rump parliament.

On 16 June, the UN Security Council passed Resolution 841, ordering an oil and military embargo against Haiti. The sanctions were to take effect on 23 June at 0400 GMT. Meanwhile, on 21 June, General Cedras wrote to mediator Caputo to express his willingness to negotiate. He would sit down with the ousted president, but the Army commander in chief set conditions: Discussions must center on the issue of the survival of the nation. Demanding the benefits of neutral territory and protection, Gen. Cedras also requested the suspension of sanctions against a country where, he says, life would become more terrible than death. This call from Gen. Cedras was not taken into consideration by U.S. Secretary of State Warren Christopher, who maintained sanctions were necessary to prompt the Haitian military into concessions. Between 20 and 22 June, the people were held in suspense when President Aristide delayed announcing his position. Dante Caputo ended the suspense on 22 June, announcing that the president in exile had agreed to negotiate with the military.

The details regarding date and place were still under discussion on 23 June when President Aristide's faction in Washington set his conditions for a meeting. In setting those conditions, President Aristide basically rejected all proposals for dialogue between himself and Gen. Cedras. In the first place, why should the Army commander in chief, resigning and therefore a civilian, meet with President Jean-Bertrand Aristide? In the second place, it is unclear how the president, by means of a simple, written request, could bring about the resignation of the Army General Staff. When has this ever been seen before: the chiefs of an Army abandoning their commands, their weapons, their epaulettes and decorations, their advantages and privileges, upon the request of a president in exile?

For 21 months—21 months of international pressure, sanctions, and embargo—identical demands have been made by the victims of the 30 September coup as conditions for the return to constitutional and democratic order. Twenty-one months of negotiations have not changed any positions. Twenty-one months of suffering by the Haitian population have not touched the conscience or the patriotism of either camp. In this fratricidal battle between the two factions, it is the

national honor that is suffering, the country's institutions that are paying the price of pride. It is the future of the coming generation, in short, the country's future, that is more and more uncertain.

Today there is increasing uncertainty of a quick and favorable solution to this crisis, which history teachers say is 21 months old and 189 years old. What should be the attitude of the international community, of the UN and the OAS, of the Americas themselves, faced with this situation created by President Aristide's refusal to meet with Gen. Cedras as long as he is the commander in chief of the Haitian Army? What about UN Resolution 841? Against whom should it be applied? Gentlemen of the military, Mr. President: The country expects a magnanimous and patriotic gesture from you.

Deputies Support Strike Action

FL2406155193 Port-au-Prince Signal FM Radio in French 1030 GMT 24 Jun 93

[Report by Daly Valet, in Creole—recorded]

[Excerpts] The strike the union sector launched for 24 June is supported by many people's organizations and parliamentarians fighting for the return of democracy to Haiti. All the Anticorruption Bloc parliamentarians are asking the people, the little merchants, students, drivers, and so on, is to heed this call to strike. According to Deputy Norzeus, this strike is a way for the people to ask for the dismissal of 29 military who have hampered the negotiations and for the departure of all the false parliamentarians resulting from the mock elections of 18 January. This strike is aimed at saying no to the hellish situation in the country since the 30 September 1991 coup d'etat, according to Deputy Norzeus. [passage omitted]

The country cannot stand this situation any longer; things must change, according to Deputy Samuel Madistin. The deputy says that today's strike is a way for the people to say to the entire world: no to delaying tactics, no to the de facto situation, and yes to the return of democracy to Haiti. [passage omitted]

Streets Quiet, Empty on Day of General Strike

FL2406153793 Port-au-Prince Signal FM Radio in French 1030 GMT 24 Jun 93

[Report by Leon Tes, in Creole]

[Text] Six affiliated labor unions and drivers' unions launched a general strike this morning. We went through the streets and saw mostly private vehicles. On the road from Pont-Rouge to Delmas, there are almost no vehicles. One could hardly find any [public] transportation. On the airport road to Mais Gate, we saw only two public transportation vehicles, one going downtown and the other coming from downtown. We should also tell you that the streets are quiet; some people are walking, others are waiting for [public transportation].

It is clear that the call to strike has been followed. There are no convoys picking up or dropping passengers in the industrial park area where there is usually much morning activity. We saw some people walking. We scarcely saw any of the merchants who are usually in the streets here.

There are almost no vehicles along the Carrefour [Port-au-Prince suburb] road. We will keep cruising the streets so we can tell listeners how things are going on this day of a general strike demanding the departure of the military authorities so Father Aristide can return to power.

St. Vincent and the Grenadines

Agreement Signed With EC for Land Reform

FL2406220793 Bridgetown CANA in English 1539 GMT 24 Jun 93

[Text] Kingstown, St. Vincent, June 24, CANA—St. Vincent and the Grenadines has signed an agreement with the European Community under which almost EC10 milllion dollars (one EC dollar = 37 cents U.S.) will be provided for a land reform programme. The agreement was signed here Tuesday by Prime Minister James Mitchell and Phillipe Darmuzey, the EC delegate to the Eastern Caribbean.

A statement from the prime minister's office Wednesday said 3.2 million European Currency Units (ECU's) were being provided by the European Development Fund as part of the so-called national indicative programme. The money would allow work to begin on the sub-division of two government-acquired estates on the leeward side of mainland St. Vincent, which forms part of government's land reform programme.

It is expected that 63 plots, ranging from three to five acres, would be distributed to small farmers. Design and construction of farm access roads, renovation of buildings in the area for agro-processing and craft development, and technical assistance in the sub-division of the estates are among the activities to be undertaken under the project.

In addition, the funds would allow for work to begin on designs of the main Central Leeward Highway, the statement said. The European Community was also involved in the financing of phase one of government's land reform programme which involved the sub- division of another government-acquired estate in the Carib territory in northern St. Vincent.

Serra Puche Comments on U.S. Charges on Steel Exports

PA2406200593 Mexico City Canal 13 Television Azteca Network in Spanish 1300 GMT 24 Jun 93

[Text] Mexico will carefully study the sentence issued by the [U.S.] International Trade Commission on alleged disloyal practices by Mexican steel exported to the United States. Here is what Jaime Serra Puche, secretary of Commerce and Industrial Development said:

[Begin Serra Puche recording] We will be following up on this very closely. We will be waiting for the evidence of damage to be furnished by the U.S. International Trade Commission. If we are right—and we have a feeling that we have a very good case—we will take the case to the GATT. If we win the case and if this [U.S.] compensatory tax is not justified, then the Mexican exporting industries should receive a credit....[pauses] a payment. [end recording]

Meanwhile the businessmen indicated that Mexico has the possibility to prove that the steel production is not being subsidized, as argued by the United States. The businessmen said they hoped that once the NAFTA is implemented, these types of conflicts will be justly resolved.

[Begin Serra Puche recording] The nations must take into account that a trade treaty such as the NAFTA will reinforce the formulas whereby these differences can be solved, and they should be resolved more quickly, in a more just manner.... [end recording]

Government, Eritrea Establish Diplomatic Relations

PA2506125393 Mexico City NOTIMEX in Spanish 2159 GMT 23 Jun 93

[Text] New York, 22 Jun (NOTIMEX)—Mexico and Eritrea announced the establishment of diplomatic relations at the ambassadorial level in New York on 22 June.

"The relations will be based on the self-determination of nations, the sovereign equality of states, and the respect for the sovereign and territorial integrity of countries," the foreign ministers of both countries highlighted in a joint communique issued at UN headquarters.

The two countries stressed that they will observe the principles of peaceful coexistence, peaceful solution of disputes, and noninterference in the internal affairs of the states.

On 24 May 1993, Eritrea proclaimed its independence and became the youngest nation in Africa and the planet. The UN Security Council recommended its entry as a member of the world organization a day after Eritrea separated from Ethiopia.

The Eritrea people decided to secede from Ethiopia in a referendum held in the latter part of April 1993. Eritrea had joined Ethiopia at the end of World War II.

El Salvador

Cristiani Opposes FMLN Request To Extend Arsenal Destruction

PA2406164993 San Salvador Canal Doce Television in Spanish 0300 GMT 24 Jun 93

[Text] The recent extension requested by the FMLN [Farabundo Marti National Liberation Front] to the UN secretary general to complete the destruction of its hidden arsenal has been described by President Alfredo Cristiani as excessive. According to Cristiani, there already is a firm commitment to proceed with the destruction.

[Begin Cristiani recording] Legally, this can be separated into two phases: First, we have the weapons surrender phase, and then we have the second phase that includes the destruction process itself. The destruction process has a technical aspect involved which ONUSAL [UN Observers to El Salvador] will supervise. This phase is expected to last as long as ONUSAL deems necessary. [end recording]

The FMLN has requested a 45-day period to destroy its armament. In turn, the government believes that this time period requested by the FMLN is uncalled for and demands a shorter period.

President Cristiani, although aware that the time period established by the UN was too short, still believes that the FMLN has requested too many days.

During the news conference, the president also referred to the possible involvement of more persons in the drug-trafficking trade currently taking place in El Salvador. In this respect, he disclosed that the investigation is still continuing. However, in order not to interfere with the on-going investigations, he chose not to disclose any names.

[Begin Cristiani recording] I do not believe it would be convenient to disclose information on the investigations taking place since there are risks involved. In effect, there are more persons involved with this specific drug shipment, not only Salvadoran citizens, but also very powerful foreign persons. [end recording]

The president also said this is a joint operation between the three countries, and that investigations would continue to uncover those involved.

With respect to the recent child-trafficking incidents, where a National Assembly adviser was arrested on 22 June, Cristiani emphasized that justice must prevail regardless of any political interests involved.

[Begin Cristiani recording] Regardless of which political party to which someone who breaks the law belongs, the person will be penalized. The first thing that is going to take place is that the person will be arraigned in court, and that is out of the Executive Branch's boundaries. At any rate, let us refer to the DEA. The DEA normally allows or discloses information to the press when it refers to drug-trafficking issues. [end recording]

In reference to the leadership that will substitute the so called La Tandona from the defense power circles, Cristiani simply stated that it will not be until 1 July, when the names of the Army high command will be disclosed. However, the name of Colonel [Jose] Humberto Corado Figueroa is insistently being mentioned as the next defense minister.

'Highly Reliable' Sources Cited on High Command Composition

PA2506000193 San Salvador TCS Television Network in Spanish 1200 GMT 24 Jun 93

[Text] Soldiers will continue to lead the national defense. Highly reliable sources have confirmed the composition of the new Armed Forces High Command that will be installed during a special 1 July ceremony attended by President Alfredo Cristiani.

Defense Minister Colonel Humberto Corado, currently chief of the Armed Forces Studies Center, will replace General Rene Emilio Ponce; Deputy Minister Ismael Roberto Tejada Murcia, currently chief of the Special Military Security Brigade, formerly the National Guard, will replace Gen. Juan Orlando Zepeda; Chief of Staff Col. Jaime Guzman Morales, currently chief of the Armed Forces Engineers Military Detachment will replace Gen. Gilberto Rubio; and Deputy Chief of Staff Col. Angel Orellana will replace Gen. Mauricio Ernesto Vargas.

FMLN Denies Any Ties to Terrorist Organizations

PA2406161293 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 24 Jun 93

[Text] The Salvadoran guerrillas [Farabundo Marti National Liberation Front—FMLN] have denied any ties with the terrorist organization Basque Homeland and Liberty Organization [ETA] or other similar groups, as was charged by Salvadoran President Alfredo Cristiani. FMLN spokesman Juan Ramon Medrano said that Cristiani should present evidence of these accusations, as this is not the time to speculate.

President Cristiani did not rule out that the FMLN planned to sell to the ETA the weapons uncovered in Nicaragua to obtain funds to finance part of their political campaign for the upcoming elections in 1994. President Cristiani told the media that all terrorist organizations have some sort of connection and that they cooperate with each other in certain activities. Nevertheless, former Commander Juan Ramon Medrano gave assurances that currently the FMLN is solely engaged in the political struggle and does not have any ties to the ETA, the PLO, or any other armed political organization in the world. Their ties are only with governments and nongovernmental institutions.

FMLN's Saenz on Retirement of Top Military Leaders

PA2406151093 San Salvador Canal Seis Television in Spanish 0200 GMT 23 Jun 93

[Report by Fernando Aragon]

[Text] Miguel Saenz, leader of the Farabundo Marti National Liberation Front [FMLN], on 22 June pointed out that the retirement of top military leaders was already included in the new timetable established due to delays in the fulfillment of the peace agreements. Saenz described as positive the retirement of Generals Ponce, Rubio, and Vargas of the Armed Forces high command, leaving these posts at the disposal of President Cristiani in keeping with the new timetable:

[Begin Saenz recording] This involves a delay in the fulfillment of agreements. This is a very important delay that they are trying to forget. As for the Truth Commission recommendations, there are other men who are still occupying posts; for example, the defense minister. They should have left a long time ago. If it was indeed announced that these generals will leave, we are glad the agreement will be fulfilled. [end recording]

The key point of the Chapultepec Document proposes that 120 officers and commanders should be removed from their posts and discharged. The cases of 15 of them were still under discussion. The government and the Armed Forces point out that the discovery of FMLN weapons constitutes a delay in the fulfillment of agreements. To Saenz, however, this is a broader problem:

[Begin Saenz recording] Speaking of delays, we must recall that the government has failed to comply with 30 agreements. This was established clearly in the most recent report the UN secretary general presented to the UN Security Council. [end recording]

The politician said the most obvious delays pertain to the land issue, deployment of the National Civilian Police [PNC], appointment of officers within the PNC leadership, and recovery of weapons owned by individuals. In this regard, Saenz rejected accusations against the FMLN made by government officials, especially by Vice President Merino, who said that the FMLN reply to Butrus Butrus-Ghali is insufficient and irresponsible.

[Begin Saenz recording] He is part of an ongoing campaign against the FMLN. As a high-ranking official, he should show more responsibility by commenting on things that he knows about rather than commenting on things to which he has never had access, such as the letter sent to the secretary general. [end recording]

Miguel Saenz said the weapons problem is outside the bounds of individual responsibility of either party.

FMLN's Melendez on Tourism in Former Conflict Zones

PA2506041093 Mexico City NOTIMEX in Spanish 1734 GMT 24 Jun 93

[Report by Ivette Baez]

[Excerpt] San Salvador, 24 Jun (NOTIMEX)—The former Farabundo Marti National Liberation Front [FMLN] guerrilla group has said it thinks tourism can become more than a tool to earn foreign currency and showcase El Salvador's natural, historical, and cultural treasures.

The FMLN party thinks the tourism industry could become the focus of projects to facilitate the reintegration and development of communities and settlements of former combatants in the country's former conflict zones.

Those areas contain diverse attractions that during the nearly 12 years of war remained inaccessible even to Salvadorans until the civil war ended with the signing of peace agreements in January 1992.

FMLN leader Jorge Melendez said his party "plans to offer cultural, historical, and ecological tourism as an alternative to traditional tourism, which is viewed solely as a source of foreign currency."

"If we take into account that El Salvador is a small country that has great human resources, we will be able to design programs that will bring economic revenues and will become an alternative to fight poverty and environmental deterioration," Melendez said during an interview with NOTIMEX.

Melendez, known as the former Commander "Jonas," said some communities in the Departments of Morazan, Chalatenango, and Cabanas "cannot aspire to any development policy except through projects such as those relating to tourism."

He explained this is because "their land is poor in agricultural resources but has great natural beauty." He added the FMLN has already implemented some programs.

The most important one is taking place in Perquin, Morazan Department, 203 km from this capital, which houses the Museum of the Revolution, a hotel, and a popular restaurant.

Besides the main room where weapons, photographs, and other kinds of objects are exhibited, the tourist center has a display showing what a guerrilla camp and the defunct headquarters of Radio Venceremos, which is now transmitting legally out of San Salvador, looked like. [passage omitted]

Nicaragua

LA PRENSA Further Investigates Juigalpa Eviction

PA2506001893 Managua LA PRENSA in Spanish 23 Jun 93 pp 1,20

[Report by Denis Garcia Salinas]

[Excerpt] Juigalpa, Chontales—On 22 June, several Juigalpa residents and former resistance members decided again to illegally occupy property in Las Lomitas that is owned by an Evangelist church. The incident took place one day after they had been evicted from the property after a clash with police that resulted in two civilians and nine policemen wounded, and eight squatters under arrest.

LA PRENSA decided to travel to Juigalpa on 22 June to verify "on site" what really took place on 21 June. This newspaper was able to ascertain that information provided by former resistance member Jose Lino Morales Saurez, alias "Comandante Culebra," during his 22 June visit to our offices was completely unfounded. This newspaper was able to determine that six persons had not been killed during the highway clearing operation, but that nine police officers had been wounded.

The eight arrested protesters include: Carmen Cruz, Jose Hilario Murillo, Feliciano Meneses, Rafael Salas Blanco, Pastor Leiva, Marlen Vargas, Miguel Joron, and Freddy Orozco, who was hospitalized as result of a gunshot wound.

Police do not know the political affiliation of the eight arrested persons.

According to a LA PRENSA investigation, events unfolded quite differently than what was initially reported by several participants. Initial reports were either distorted or exaggerated, according to how it suited each participant.

To be quite honest, this newspaper's team of investigators was able to establish that six civilians had not been killed. Nor did the riot police evict the squatters from the Evangelical Committee for Development Aid property, which had been occupied since 9 June by a group that identified itself as being former resistance members headed by Isidro Zamora, alias "El Pajarito."

LA PRENSA could not confirm reports that police cut the throats of two children at the site where the incidents occurred. [passage omitted]

Government Ministry Communique Rejects LA PRENSA Report

PA2406212693 Managua Radio Nicaragua Network in Spanish 1100 GMT 23 Jun 93

[Text] The 22 June edition eight column LA PRENSA coverage of an alleged police attack in Juigalpa, Chontales, where supposedly six persons were killed and numerous others wounded, is a [word indistinct] that was used to confuse the newspaper.

The aforementioned opinion was included in a Government Ministry [Mingo] communique made public by Maria Cristina Arguello, Mingo Press and Information spokesperson. The Mingo communique also calls on the media not to let itself be confused by unsubstantiated news.

[Begin Arguello recording] With respect to the news report published by LA PRENSA newspaper in its 22 June edition entitled "Attack with Six Dead," the Mingo would like to inform the Nicaraguans as follows:

Statements made by LA PRENSA and its reporter related to the incidents that took place in Juigalpa are completely false since there were no deaths in the eviction operation. Consequently, in order to better inform the Nicaraguan people, we will explain the events.

This past 7 June, a group of approximately 50 persons led by [name indistinct] decided to take over a plot of land owned by the Evangelist Church Fraternity, Central American Mission [Fraternidad de la Iglesia Evangelista, Mision Centro Americana] located in Juigalpa, Chontales.

This takeover was reported to the National Police on 10 June. As a result, the situation was initially evaluated by members of the former resistance, the Chontales mayor's office, religious sectors, and the Permanent Human Rights Commission. This resulted in the appointment of a commission that would attempt to ensure a peaceful evacuation. The last meeting intended to convince the squatters to peacefully withdraw from the premises took place on 19 June. However, the meeting was unsuccessful because the squatters refused to withdraw.

On 21 June at 1700, at National Police patrol car came to the premises, and together with one of the land takeover leaders, finally convinced the squatters to abandon the property.

Afterwards, some persons who had participated in the land takeover, together with some Juigalpa residents, proceeded to block the highway by erecting barricades and burning car tires. When the police attempted to reestablish order and remove the barricades, they were attacked with rocks and machetes. As a result, a violent clash broke out at approximately 2330. [end recording]

Kruger, D. Ortega Discuss Multisectoral Dialogue

PA2506033193 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 24 Jun 93

[Report by Vilma Estrada]

[Text] Members at the multisectoral table of the national dialogue discussed for nearly six hours with the Executive Branch topics suggested by the opposition and the modernization of state institutions. They discussed the situation at the San Antonio Sugar Mill and the presence

of groups the Sandinist National Liberation Front [FSLN] describes as paramilitary.

[Begin recording, Foreign Cooperation Minister Erwin Kruger] We pointed out that the Government Ministry regulates organizations of this sort. They are involved exclusively in activities that complement police and Army operations. They are properly authorized private enterprises that are solely authorized to use light weapons—arms used for protective purposes. These sorts of organizations also existed in the past, and they were known as physical protection corps. They exist now, too. [end recording]

The minister added the Government Ministry will review the status of these enterprises to apply possible corrections:

[Begin Kruger recording] The government's position, in general, has been firm: It is determined to ensure the law prevails because that is among our main obligations. We also discussed various issues of national interest. [end recording]

FSLN Secretary General Daniel Ortega also commented on the topics discussed at this multisectoral dialogue. He commented on the discussion of groups in certain enterprises that the FSLN describes as paramilitary:

[Begin Ortega recording] The government committed itself to ordering the elimination of such paramilitary forces and taking from them weapons exclusively used by the police and, at any rate, allowing them only to continue protection and security services with the appropriate weapons and ensuring they are subordinated to the Government Ministry. [end recording]

The state modernization issue will be discussed in upcoming meetings because of its complexity.

Government Sends Diplomatic Protest Note to Honduras

PA2406171293 Managua Radio Nicaragua Network in Spanish 1100 GMT 23 Jun 93

[Text] The Nicaraguan Government forwarded a protest note to the Honduran Government as a result of President Rafael Leonardo Callejas' visit to the island of San Andres where he met with Colombian President Cesar Gaviria.

The diplomatic note sent to the Honduran Government emphasizes that Nicaragua will not acknowledge any treaty or agreement delimiting maritime boundaries signed between third countries such as the recent agreement signed between Honduras and Colombia a few days ago.

Finally, the Nicaraguan Government strongly urges Honduras to reflect on the situation that has arisen and to consider any agreement signed with Colombia with respect to the San Andres islands territoriality as invalidated.

Mexican Investors' Mission Interested in Several Sectors

PA2406200093 Managua Sistema Nacional de Television Network in Spanish 0230 GMT 23 Jun 93

[Text] A mission of private Mexican investors, led by the Mexico's undersecretary of foreign trade, is coming to Nicaragua. The mission will visit projects in which they are interested in investing. When Mexican President Carlos Salinas de Gortari visited Nicaragua this year, he promised the Nicaraguan president he would promote in his country private sector investments in Nicaragua. Within this framework, on June 23 a mission of Mexican businessmen interested in investing in Nicaragua in diverse sectors of the economy will arrive. Here is what William Peso, director of the foreign trade office at the Economy Ministry, said:

[Begin Peso recording] A total of 11 Mexican investors will arrive with different areas of interest. One group is interested in investing in tourism; another in the fishing sector; another in the energy sector, that is, either hydroelectric or thermal energy; another in the wood sector, for the manufacturing of office furniture; another in the cement producing factory's privatization; and still another in the sugar mills. They are interested in several sectors. [end recording]

Mexico's undersecretary of foreign trade, who is accompanying the mission, will meet with President Violeta Chamorro; the minister of the presidency [Antonio Lacayo]; and his colleague, the economy minister.

Nicaragua will participate next week in an international [word indistinct] in Honduras where Central America will present possible areas of investment.

[Begin Peso recording] We are taking some investment profiles to present to investors from all over the world. It is expected that 250 investors will participate in this conference. Nicaragua will present its profiles. This conference is designed for the following sectors: tourism, energy, and mining.

Panama

Cubans Use Colon Free Zone To Violate U.S. Embargo

PA2506011393 Panama City EL PANAMA AMERICA in Spanish 24 Jun 93 p 6A

[From the "Hidden Truths" column by Tomas Cabal]

[Text] Intelligence organizations have said the Colon Free Zone continues to provide breathing room to the battered Cuban economy which, under the effects of the U.S. embargo and following the collapse of the USSR, is almost certain to cave in.

As U.S. sources reveal, however, officials from the Castro-communist government continue to operate from

Panama in a desperate attempt to maintain the flow of merchandise from the Colon Free Zone.

Officials from the General Directorate of Intelligence and the Cuban Interior Ministry are supervising a complex network of phony companies, with which they violate the U.S. embargo under the Southern Command's noses. Informers, who asked to remain anonymous, identified several Panamanian companies used by the Cubans.

They also identified other companies owned by Panamanian businessmen who supply the Castro dictatorship. According to our informers, the Cuban Government manages the following companies: Cimex, Trover, Lone Star Hacienda, Acuario, and Intermar. The latter has the support of Cuban agents Gustavo Pinora, Carlos Llanio, and Pastor Molinet.

According to our sources, merchandise is shipped aboard Cuban boats from Melfi Marine and Servinaves. Ships including the Ostra, Laura, Erizo, El Perla, and others cover the route from Cristobal to La Guaira, Cartagena, Tampico, Jamaica, and Puerto Cabello.

Trade between our country and Cuba exceeds $200 million per year. Cuba, despite the serious economic difficulties it faces, still imports from $1 billion to $2 billion in merchandise to supply the shops that operate in luxury hotels, the last hope of President Fidel Castro in avoiding the complete collapse of his government.

The shipments sent from Panama also supply the needs of top Communist Party officials, who remain immune to the terrible suffering and scarcity suffered by the population.

A neuritis epidemic, which threatens to blind many citizens, was recently unleashed. The disease is the product of the serious vitamin deficiency suffered by the Cuban people.

In addition to the efforts made by Cuban agents in Panama, increased efforts by Panamanian businessmen to supply the Castro regime have also been detected.

Companies such as Alo Imports, Sunsport Imports, Refrinova, Panotex, Malaga, Pick-n-Pay, Lido International, and others [sentenced as published]. The volume of trade is such that U.S. investigators have notified Congress because their payments are made in narcodollars.

This money is obtained through Panamanian and Spanish banks in violation of U.S. laws, according to our informers.

Police Arrest Drug Traffickers Linked to Cali Cartel

PA2406175693 Panama City LA ESTRELLA DE PANAMA in Spanish 24 Jun 93 pB-4

[Text] The Judicial Technical Police, PTJ, Narcotics Division, in coordination with and supported by the Attorney General's Office Narcotics Secretariat and police agencies in Spain and Germany, neutralized one of the most dangerous organizations linked to the Cali Cartel, which had strong connections in the Republic of Panama, as well as in Spain and Germany.

According to the PTJ Public Relations Office, more than 20 kg of cocaine worth $1.6 million on the European market were confiscated in Panama, Germany, and Spain during the operation.

This network, linked to the Cali Cartel, shipped the drug in ceramic pieces made in Panama. The PTJ reported that the operation led to the arrest of Lucrecia Isabel Madrid Miranda and Ecuadoran citizen Carlos Alberto Guaranda.

Former Colombian Guerrilla Reportedly Under Arrest

PA2506000893 Panama City EL PANAMA AMERICA in Spanish 24 Jun 93 p 2A

[Report by Juan Manuel Diaz C.]

[Text] The Judicial Technical Police (PTJ) is holding under arrest a former member of Colombia's 19 April Movement (M-19) who served as a guide for Panamanian authorities in an operation called Free Borders, carried out to rescue three U.S. missionaries who were kidnapped in January.

According to reports the former guerrilla, Guillermo Alvarez Villamil, was detained in Puerto Obaldia, Chiriqui Province, for carrying counterfeit money.

Alvarez Villamil acted as guide for contingents operating in Darien Province during an operation to rescue David Mancken, Richard Tenenof, and Marc Rich, missionaries of the New Tribes sect, kidnapped on 31 January.

It was reported that Alvarez Villamil participated in the operation with the understanding that Panamanian authorities would authorize his wife and daughter to enter the country. They are currently in Colombia.

According to reports, Alvarez Villamil was an M-19 councilman before he deserted the organization. He played a key role in the detection of 90 hectares of coca plants destroyed during Operation Free Borders.

Alvarez Villamil is currently under arrest at the PTJ facility in Ancon, although no official report has been issued explaining the reasons for his detention.

The latest reports on the status of the missionaries indicate that negotiations for their release failed because

their captors and New Tribes sect members did not agree on the place and time for a meeting.

U.S. Air Force Base Reportedly Used To Ship Drugs

PA2506150993 Panama City CRITICA LIBRE in Spanish 25 Jun 93 pp 1, 43

[Report by Jose Otero]

[Text] Ramiro Yarvis [?Jarvis], head of the Judicial Technical Police antinarcotic trafficking department, said that the U.S. Howard Air Force Military Base, on the Canal banks, was used by members of a former gang of drug traffickers with links to the Cali Cartel to ship 120 kg of cocaine to Europe inside ceramic figures.

According to Yarvis, 16 people have been arrested in connection with the gang. These include three Panamanians, in addition to several U.S. soldiers stationed at several U.S. bases in Germany, who served as "mules" to transport the drugs.

Inspector Yarvis mentioned that four members of the former gang were arrested in Panama, including an Ecuadoran citizen. They were detained following a raid of a beauty parlor located on Justo Arosemena Avenue, where the drugs were stored in the back.

The Ecuadoran was identified as Carlos Alberto Guaranda. Among the three Panamanians there is a woman named Lucrecia Isabel Madrid Miranda. The names of the other two Panamanians were not given.

It was also reported that the rest of the gang have been arrested in Spain and Germany.

The gang shipped Panamanian ceramic folkloric artifacts filled with cocaine. The undercover operations netted 20 kg of cocaine in Panama, in addition to 120 kg in Spain and Germany.

Inspector Yarvis said that the undercover operation was successful following the arrest of a U.S. soldier in Germany, who confessed how the drugs were shipped.

The report specifies that the ceramic pieces were filled with 3 kg of cocaine each and that the shipments were spaced out to avoid arousing suspicion. Many of the pieces were shipped from Howard Air Force Base.

Argentina

Di Tella: Condor-2 Issue 'Closed' for Clinton-Menem Summit

PY2406214893 Buenos Aires BUENOS AIRES HERALD in English 24 Jun 93 p 13

[From the "Argentina in Brief" column]

[Text] (DYN-NA)—Foreign Minister Guido Di Tella affirmed in a press conference on the eve before his departure for Washington that relations between Argentina's government and that of United States President Bill Clinton "have the same level of excellence and understanding" that they did during the administration of former U.S. head of state George Bush. Among the topics Di Tella said were on the agenda for next Tuesday's [29 June] meeting between Menem and Clinton in Washington are the question of medical patents, nuclear non-proliferation and trade topics. Not on the list is the former Condor missile project, said the foreign minister, because "the issue is closed." On a related note France's embassy here announced that along with the U.S. it would send a team of specialists to examine the Condor's Falda de Carmen plant to study converting it to peaceful use, while Lower House Radicals last night blocked the passage of the Tlatelolco nuclear non-proliferation treaty.

Bolivia

MIR Leader Comments on U.S. Ambassador's Criticism

PY2506030193 La Paz Television Nacional Network in Spanish 0000 GMT 25 Jun 93

[Excerpts] Concerning a statement made by U.S. Ambassador to Bolivia Charles Bowers about former Interior Minister Guillermo Capobianco, MIR [Movement of the Revolutionary Left] Chairman Oscar Eid Franco retorted that he would stake his life on Capobianco.

[Begin Bowers recording] It is not advisable for us to have dealings with persons who are linked to drug traffickers and who have a reputation for being corrupt. That is all. [passage omitted] [end recording]

This view is not shared by Eid Franco because he has absolute trust in Capobianco. He said:

[Begin recording] There is no mention of any type of proceedings. It is public knowledge that there have been allegations but, as in all lawsuits, accusations leveled at somebody must be accompanied by evidence. Up to now, however, no charges have been brought. Now, if charges are eventually brought against him, it is up to our comrade himself to assume his defense. Besides, he already has pointed out that he is willing to assume his defense ... [end recording]

Brazil

IDB President Endorses Minister Cardoso's Plan

PY2406184393 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Jun 93 Economic and Business Section p 10

[Report by Beatriz Abreu]

[Text] Brasilia—Inter-American Development Bank (IDB) President Enrique Iglesias said yesterday that the FHC [initials of Finance Minister Fernando Henrique Cardoso] Plan "is adequate and paves the way for negotiations with the International Monetary Fund (IMF)." Iglesias said that the IDB and other multilateral lending organizations support Cardoso's plan because they believe the Brazilian Government is now "addressing the core of its fiscal crisis."

Iglesias reported that, as proof of its support, the IDB has allocated $400 million for the 1994-95 period. He added that these funds will be disbursed as soon as the Brazilian Government offers guarantees that it will pay its foreign debt to its creditor banks. He added: "The IDB is willing to cooperate with Brazil, but agreement with the IMF is essential." The Brazilian Government has been negotiating with the IDB and the World Bank since last year to obtain money for guarantees. This is the first announcement by the IDB president about the allocation of such funds for Brazil. The IDB is willing to grant loans totaling $4 billion between 1994 and 1997, disbursing nearly $1 billion per year.

Iglesias said he liked Cardoso's briefing on the FHC Plan during a dinner he and Cardoso had with President Itamar Franco in Rio de Janeiro. He said: "Minister Cardoso is internationally respected and I noticed that he has the president of the Republic's full support."

Economic Plan 'Main Designer' Interviewed

PY2406234393 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Jun 93 Economy and Finances Section p 10

[Interview with economist Winston Fritsch, "the main designer of the economic plan of Finance Minister Fernando Henrique Cardoso," by Suely Caldas; date and place not given]

[Text] [Caldas] Most economists believe Minister Cardoso's economic plan will inevitably need a second stage, with stronger measures against inflation and measures leading to indexing the economy to the dollar, thus paving the way toward dollarization and a fixed exchange rate system...

[Fritsch] Our objective is to prepare the economy for the next president. The objective is to recover the government's capacity to enforce a fiscal and a monetary policy. There is no second plan or second phase. We only have 18 months left in power and we intend to use it to

organize and balance public accounts. We will not fix the exchange rate and we will not prepare the economy for dollarization. We are sure that we will hand over the country with inflation dropping for several consecutive months.

[Caldas] Some PSDB [Brazilian Social Democracy Party] economists advocate dollarization. Deputy Jose Serra's recent visit to Argentina reinforced such comments...

[Fritsch] Those who expected a package of measures suffered a major blow. They circulated rumors that the government would dollarize the economy and they promoted exchange rate speculation on the eve of the Corpus Christi holiday. This cost the Central Bank [BC] $1.6 billion but the prophecy did not come true. Analysts got tired of sending their clients letters that even set the date for the shock. Their action only promoted preventive price adjustments and increased inflation. Since they failed, they are now saying that the shock will come within a second stage. They are in for another surprise.

[Caldas] What do you think of dollarization as a weapon against inflation, as in Argentina?

[Fristch] Dollarization is impossible in Brazil for several reasons. We would need a much higher currency reserve. Brazilian domestic assets are far larger than, and different from, those of Argentina. Furthermore, the Brazilian economy is still closed too tight. Imported products have little influence on prices in general. Dollarization in Brazil would have little effect on inflation because prices would continue to rise and there would be pressure to increase salaries.

[Caldas] How did you feel before and after the plan?

[Fristch] Before the plan, there was a lot of work. From the start we had no doubt at all that we were working on a program that dealt basically with a fiscal adjustment; an essential ingredient for fighting inflation. The majority of the market, however, operated on the assumption that there would be a shock. The expected shock was dollarization, that was the market's bet.

[Caldas] What will be revised within the budget?

[Fristch] The federal budget has three major items: salaries, interest and overheads, and investment. The last item has been the object of a dispute between Congress and the executive branch. Interest is paid to the banks that finance the government, salaries are paid to public servants, and state governors account for extra-budget expenses. The objective of the plan is to make the states pay or begin to pay the debt agreed upon in 1991, and to avoid a repetition of this situation. This debt actually reflects a weak point in that the states can obtain financing from their own banks.

[Caldas] And the state is a bank partner...

[Fristch] Not a partner but a shareholder with a controlling interest. Even worse: the state is the boss. The law does not allow banks to finance the controlling agent. Banks can accumulate so many rotten certificates that the Central Bank would have to warn them that an improper situation had developed. The banks would then unsuccessfully try to solve the problems with BC rediscounts. Until the accounts are settled, the BC will not recognize its debts to the bank, and the state then becomes a debtor of the nation. That is how the debt originated.

[Caldas] Who will negotiate with the government?

[Fristch] Governors, government creditor bankers, public servants, state-run enterprises, ministries, and Congress will negotiate with the government. We must first show the nation that until the situation is resolved as a whole and until the conflict is clarified at all levels, no decision will be made on who will negotiate.

[Caldas] What is the deadline for that negotiation?

[Fristch] I believe it will be the second half of the year. We will negotiate the rescheduling for 1993 until June. The main fight will be the 1994 budget and those extra-budget debates which, I believe, will be resolved in three or four months.

[Caldas] Yet even you have admitted that inflation will not drop rapidly...

[Fristch] Inflation will not drop rapidly as a consequence of this program. There is no magic in this area. Prices will not drop rapidly this year. Yet the positive results of the plan will make the inflation rate drop.

[Caldas] Cutting inflation is essential if the people are to support the plan. People confirm this when they go to supermarkets or drugstores. Without strong measures to curb inflation, how can you win the people's political support?

[Fristch] For the time being we must rely on the credibility of Minister Cardoso and the general consensus that the plan is necessary. I believe people are immune to magic drops in inflation.

[Caldas] What will cause inflation to drop?

[Fritsch] The disappointing experience of price freezes and magic formulas have shown that, to a large extent, inflation is caused by inflationary expectations and the inability of the government to draft a fiscal policy, to manage budgets, or to increase or decrease expenses and the public deficit. Public spending in Brazil is fixed. In the national budget, 40 percent of revenues are allotted to expenses or constitutional transferences to state governments or municipalities—money the government never sees. The rest, virtually all of it, is committed to interest rates and salaries. The implementation of a fiscal policy can be summarized in cutting costs and investments.

[Caldas] Where will the $6 billion be cut?

[Fritsch] This $6 billion has already been cut to the bare bones. It has been cut hard. The immediate impact is not that great but it has an important psychological impact that allows the government to negotiate with other sectors.

[Caldas] Politicians have told Finance Minister Cardoso that the financial system should also make some sacrifices. How will this be done?

[Fritsch] This has already been done. During Itamar Franco's administration interest dropped from 30 percent to 16.7 percent.

[Caldas] Will a greater drop in interest rates be negotiated? Will the government adopt an unilateral measure to implement this?

[Fritsch] Obviously it will be negotiated. Contracts will be upheld.

[Caldas] What is a tolerable interest rate?

[Fritsch] It is difficult to bring it below the international risk rate for Brazil (Brazilian companies have obtained loans at 10 percent per year). That is the minimum. We cannot expect beyond what is reasonable. Interest rates are high because the government lacks credit but as public finances improve, rates will drop.

[Caldas] The economic plan was criticized for its privatization program. It was expected that the government would announce the sale of profitable companies, such as the Vale do Rio Doce company.

[Fritsch] It would have been irresponsible to do this in a program that was designed in so much haste. This economic plan revises several processes, one of them is the privatization process. We will amend it in several ways, including selling many companies acquired by the state through reasonable credits but which today are poorly rated by some development banks.

[Caldas] Like the BNDES [National Bank for Economic and Social Development]?

[Fritsch] Yes. We will try to expedite the process starting at this end. In addition, we will expedite the capacity to obtain cash. In line with this, we have the Light and the Ecelsa electricity companies slated for the second half of this year. We will also promote the participation of foreign capital.

[Caldas] What about the Petrobras [Brazilian Petroleum Corporation] and Vale do Rio Doce subsidiaries?

[Fritsch] The economic team has no conceptual limitations against the sale of any company unless it is so expressed in the Constitution.

[Caldas] For example, the BR Petrobras Distribuidora?

[Fritsch] The BR Petrobras Distribuidora and the Vale do Rio Doce company are not exempt from being privatized and it will be great if they are sold so that we can obtain some cash. As everyone is aware, the sale of BR Petrobras Distribuidora may cause problems for Petrobras in the short term. The sale of the Vale do Rio Doce company has political limitations.

[Caldas] One way to grant more flexibility to the program would be to sell shares on the stock market, without auctioning the companies.

[Fritsch] That is under study.

[Caldas] Telebras [Brazilian Telecommunications Inc.] announced this week profits of $1 billion, more than a quarter of what the government hopes to collect through the IPMF [Provisional Tax on Financial Operations]. Economists are saying that the government wants to produce revenues through public rates and Telebras is an example of this.

[Fritsch] The Telebras profits are not the result of Finance Minister Fernando Henrique Cardoso's policy. We are determined to implement realistic rates. We will increase control on state companies. We also plan to establish within Seplan [Secretariat of Planning and Coordination of the Presidency of the Republic] a control and negotiating body to obtain correct information regarding the accounts of these companies.

[Caldas] What are your views about allowing exporters to open dollar accounts?

[Fritsch] There is a series of measures that the Central Bank is studying in this regard. It is nothing fantastic, nothing that cannot be changed, but it will discourage an increase in reserves. This could be done by cutting demand.

[Caldas] Another way would be to promote a greater economic opening which would result in an increase of imports, correct?

[Fritsch] This was announced in the economic plan. The idea is to further open our country's economy, complete the Mercosur [Common Market of the South] process, and continue to implement the free trade program but, of course, based on Brazil's industrial situation.

[Caldas] What does the government plan to change in the Constitution?

[Fritsch] It wants to change the taxing system and decrease or eliminate the mandatory revenue contributions to the budget. We want to reduce the number of taxes and maintain only those that all civilized societies have.

[Caldas] What about the oil and telecommunications monopolies?

[Fritsch] That must be decided by the legislative branch.

[Caldas] Would it be useful for our country's economic opening to repeal the law prohibiting the indexation of contracts in dollars?

[Fritsch] No. A stable cruzeiro is far more important than contracts in dollars.

Franco Approves Public Bidding Bill With Deletions

PY2406220893 Rio de Janeiro O GLOBO in Portuguese 23 Jun 93 p 4

[Text] Brasilia—President Itamar Franco yesterday approved, with some restrictions, a draft bill setting rules for the public call for bids. The president canceled several provisions. Among them is an article stating that enterprises should provide a insurance guarantee policy, which the government would cash if the enterprise is unable to render the service or build the project. Advocates of the insurance guarantee policy claim this will guarantee that the lowest bid will be actually implemented because insurance companies will issue a policy only to qualified enterprises.

After eliminating this resolution, the government will have no mechanism for protecting itself from enterprises incapable of doing the work or rendering the service for which they were contracted. Advisers to government leader Pedro Simon said Planalto Palace is not against the insurance guarantee policy. The government believes that, the way it was proposed, it would have converted the biddings for large projects into an exclusive area for big contractors. The government soon will submit to Congress a provisional measure or a draft bill with more specific criteria for an insurance guarantee policy.

In case of an insurance guarantee policy, the government detected several problems that might transform the biddings into a game of marked cards. First, the bill did not set a minimum project cost to which the guarantee requirement would apply. In addition, the enterprises that were to buy the insurance policy had to register with the Brazilian Reinsurance Institute. This means the enterprises that can meet the insurance policy requirements will be known in advance. This could facilitate negotiations among the enterprises that qualify for a bidding.

In addition to eliminating the insurance guarantee policy, Franco eliminated the possibility of "contracted management," which was to have guaranteed the future reimbursement of all the expenses made during implementation of the project, above the expenditure level provided for in the contract. A resolution requiring enterprises to show their capacity to implement a project for an amount equivalent to at least 50 percent of the cost of the project for which they were bidding also was eliminated on the grounds this article would benefit big contractors.

Franco also eliminated a resolution dealing with the delay in the implementation of utility rate contracts that already have been concluded, something that is common now. Franco also eliminated a resolution forcing the government to pay it bills within a maximum period of 30 days. Congress will analyze the president's decisions, which can be rejected.

Chamber of Deputies Approves Salary Adjustment Bill

PY2406174693 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 24 Jun 93

[Text] By a 383-3 vote, the Chamber of Deputies approved a bill providing for a monthly readjustment of salaries. One deputy abstained.

The bill was sponsored by Deputy Paulo Paim of the Workers Party-Rio Grande do Sul State, chairman of the Chamber of Deputies Labor Committee.

Herewith the highlights of the bill providing for a monthly readjustment of salaries:

Every public employee earning up to the equivalent of 20 minimum salaries monthly will be entitled to an increase.

In addition to the increase on the minimum salary, there will be a 3 percent real increase above the inflation rate.

Social security benefits will be readjusted monthly and the basic annuity paid to retired individuals will also include a real increase on the minimum salary.

Deputy Roberto Freire, the government leader at the Chamber of Deputies, said he finally decided to support the above bill to improve his chances to negotiate in the Senate.

If the Senate approves the bill, President Franco will veto it.

Finance Minister Fernando Henrique Cardoso has reaffirmed that the government cannot afford to pay monthly salary adjustments. He said that to do this the government would need an additional $1 billion to cover social security payments.

Cardoso has asked the Chamber of Deputies identify the sources for the funds to cover the monthly readjustment of salaries.

President Itamar Franco declined to comment on the approval of the above bill. Presidential Spokesman Francisco Baker said the president already stated his position on the subject. He thus alluded to Franco's earlier statement that the government has no funds to pay monthly readjustments of salaries to public employees, retired individuals, and pensioners.

Government To Make New Investments in Angra-2

PY2406180893 Rio de Janeiro O GLOBO in Portuguese 23 Jun 93 p 5

[Text] Brasilia—After five years of paralysis, the Angra-2 nuclear plant will receive new investments from the government. This report was released yesterday by Mines and Energy Minister Paulino Cicero during a public session called for by the Chamber of Deputies Environment Commission to discuss the resumption of the plant's construction activities. By the end of the year the government will begin an international call for bids for the installation of equipment. Cicero said the government intends to invest $1.377 billion in Angra-2 by 1997, when it should begin operation at the commercial level.

The minister said the unfinished plant costs the country $500 million yearly, $100 million of which is spent yearly just to maintain the equipment and the technical team. But what is worse is the financial cost of Angra-2: $400 million yearly.

"As you see, it is cheaper to conclude Angra-2 than leave it the way it is," Cicero argued.

New Movement Triggers Concerns About 'Fujimorization'

PY2506031093 Rio de Janeiro O GLOBO in Portuguese 24 Jun 93 p 2

[From the "Political Outlook" column by Tereza Cruvinel]

[Text] The spate of criticism heaped on Congress on account of the "Brazil Takes Off" [Decola Brasil] movement has placed political parties' commands on full alert—statements by the organizers of the movement, which was established to support Finance Minister Fernando Henrique Cardoso, were interpreted as a hint of a possible "Fujimorization" of the political process. Statements such as "he is our last hope, but if Congress does not cooperate chaos will follow," (made by Carlos Eduardo Moreira Ferreira from FIESP) [Sao Paulo State Federation of Industries] placed many people on the defensive yesterday.

—With that statement they are pointing to a scapegoat in anticipation. If "Mr. Handsome" does not hit the nail on the head, we will bear the blame for it, said Workers Party Deputy Jose Genoino. His closest friends in Congress have pinned the sobriquet of "handsome senator" on him for some time now.

The concern about institutions, as it is commonly referred to, gave rise to talks among congressmen from several political parties such as Genoino from the PT [Workers Party], Miro Teixeira from the PDT [Democratic Labor Party], Ibsen Pinheiro from the PMDB [Brazilian Democratic Movement Party], and Sigmaringa Seixas from the PSDB [Brazilian Social Democracy Party]. Teixeira, for his part, points out that every vote in the Chamber of Deputies is followed by reports about exchanges of favors. All of them stated that making Congress the scorn of Brazilians is the first step toward proposing its dissolution.

—The thing is that while the press already belongs to the First World, institutions still belong to the Third World, said Miro.

—We are warning the [finance] minister, emphasized Genoino.

—There are antidemocratic forces emerging in the country under the pretext that they are supporting him.

—He will not fail for lack of support in Congress, stated Miro.

—His success depends to a large extent on the behavior of those forces that do not wish to see inflation being curbed in Brazil.

Chile

Officials on Tension With Army, Pinochet's Trip to Israel

PY2506031793 Santiago Television Nacional de Chile Imagen Internacional in Spanish 0100 GMT 25 Jun 93

[Text] The government has denied there was a climate of crisis as a result of the Army situation. Minister Enrique Correa also said that President Patricio Aylwin decided to postpone his tour of Central America.

Ministers held a cabinet meeting but did not discuss the Army situation. The ministers also talked about economic issues. Minister Enrique Correa reported that President Patricio Aylwin decided to postpone his Central American tour scheduled for July because of his overloaded government agenda. Did the situation involving the Army influence his decision?

[Begin Correa recording] No, not in any way. [end recording]

Correa was not willing to answer questions about the Army situation but said the government is fulfilling its duty in total calm. Correa said there was no climate of crisis:

[Begin Correa recording] We will try to find the best solution calmly, without violating people's sense of justice. [end recording]

Asked about Minister Alberto Etchegaray's remarks that President Aylwin asked him to promote a major agreement of national reconciliation in answer to a petition by the Army commander in chief, Correa briefly said:

[Begin recording] You know Minister Etchegaray's remarks. They were made public by him in person and under his own responsibility. [end recording]

Asked whether General Augusto Pinochet would travel to Israel, Correa said:

[Begin recording] I do not have details of Gen. Pinochet's agenda in the past few days. [laughs] [end recording]

Less cheerfully, Foreign Minister Enrique Silva Cimma said he did not have any information on Gen. Pinochet's trip to Israel. In any case, Silva Cimma denied that Chile's ambassador to Israel had decided to resign.

According to an EFE report datelined from Israel, Chile's ambassador to Israel, Marcos Alvares, would resign if Gen. Pinochet visited that country. The information was denied, however.

[Begin Silva Cimma recording] I do not know anything about the trip but I deny what was said about the ambassador to Israel. [end recording]

President Aylwin Cancels Tour of Central America, Jamaica

PY2406195093 Madrid EFE in Spanish 1548 GMT 24 Jun 93

[Text] Santiago, 24 Jun (EFE)—Government sources told EFE today that Chilean President Patricio Aylwin has canceled a tour of Central America and Jamaica scheduled between 18 and 28 July.

The sources explained that various issues force the president to remain in Santiago. The president has also canceled a tour of northern Chile scheduled for the first week of July.

Aylwin's tour this time included Nicaragua, Panama, El Salvador, Guatemala, Honduras, Costa Rica, and Jamaica. In early June, Aylwin toured the Scandinavian countries and Russia.

The sources contacted by EFE said Aylwin is still scheduled to attend the 3d Ibero-American summit between 14 and 17 July in the Brazilian city of Salvador, Bahia State.

Government, Parties Sign Tax Agreement

PY2406223193 Santiago EL MERCURIO in Spanish 5 Jun 93 pp A1, A23

[Excerpts] The government, together with member parties and legislators of the Coalition of Parties for Democracy [CPPD] and the RN [National Renewal] yesterday signed a political pact for a four-year tax agreement that reduces income tax, maintains corporate income tax at 15 percent, and includes several saving incentives to demonstrate the government's commitment to greater fiscal austerity in the 1994 budget.

The agreement was signed just after 1300, after a long technical discussion that lasted until 0500. [sentence as published]

The agreement was signed on behalf of the government by Finance Minister Alejandro Foxley; by CPPD legislators Andres Zaldivar, Jaime Estevez, and Andres Palma; by RN President Andres Allamand on behalf of his party; by Senators Francisco Prat and Sergio Romero and Deputies Federico Ringeling and Jose Garcia. [passage omitted]

The Government will submit the draft bills to Congress within the next 30 days so that, with the cooperation of legislators, they may become law before 15 September. Once the 1994 tax system has been defined, the government can submit its budget draft bill to Congress. [passage omitted]

Personal Taxes

The agreement provides for the reduction of income taxes (global complementary tax and second category single tax) to levels that prevailed in June 1990, in terms of categories and rates, and reduce the maximum marginal rate from 50 percent to 45 percent.

This reduction will be implemented in two years time to avoid a sudden cut in government revenues. The categories and rates are contained in the attached chart.

Deputy Jaime Estevez commented that about 130,000 middle-class people will benefit from this reduction, bearing in mind the have-nots and lower income sectors do not pay taxes. He recalled that currently those who earn up to approximately 160,000 Chilean pesos per month do not pay taxes. "They will not benefit more because they do not pay taxes, yet they will benefit indirectly in that if the government had no funds it would have to cut social expenditures directed at the have-nots."

To encourage savings, the agreement provides for a new system of incentives, under which taxpayers may postpone the payment of taxes on the income deposited in some savings and investment funds (bank deposits, savings accounts or AFP [Pension Fund Administration Board] accounts, mutual funds, among others), until they mature.

With this new system, those who save part of their incomes may delay payment of taxes until the deposit is withdrawn.

An incentive has also been arranged for those who channel funds into financing schools operating under the shared financing system.

Enterprises

The tax on the profits made by enterprises will remain at its current level of 15 percent, with the possibility of allocating up to 2 percent for social projects in the education area.

Senator Zaldivar said this contribution will support high school and technical education projects, specifically to those designed by those institutions. This is consistent

with the policy of imparting knowledge and training as one of the challenges facing the economy.

The system will operate through a mechanism of tax benefits on company donations to elementary and high school institutions. A tax credit amounting to 50 percent of the donation will be granted. If the final destination of the donation is a fiduciary fund, the tax credit will amount to 70 percent of the donation in 1994 and in 1995, 60 percent in 1996, and 50 percent after 1996.

It was also agreed that several corporation taxes will be reduced. First, double taxation on Chilean enterprises with investments abroad will be eliminated. This will help Chile find a place in international economy and will promote integration with Latin American countries in the area of production of goods and services, among them financial services.

Second, some taxes will be reduced to help lower royalties and consulting services, which in turn will cut costs and improve competitiveness.

Third, incentives on investments in small and mid-sized enterprises—as established by the tax reform approved in 1990—will be raised from 2 to 4 percent. The ceiling of 500 Monthly Tax Units will not be changed.

Fourth, the ceiling on the annual value of industrial and commercial patents provided for in the bill modifying the Law on Municipal Income will be set at 4,000 Monthly Tax Units.

VAT [Value Added Tax] and Article 57 bis

The long-term VAT rate will be 17 percent, but in 1994 and 1995 it will remain at the current level of 18 percent.

The president will be empowered to reduce VAT to 16 percent or increase it to 18 percent in 1996 and 1997, depending on the macroeconomic conditions prevailing in those years.

Concerning Article 57 bis of the income tax law—which establishes tax exemptions—lawmakers of the government coalition and the RN said that benefits will be maintained on shares in the popular capitalism system under which people bought bank certificates, and on benefits of first issuance shares which are provided for in Paragraph 1 of this Article. Paragraph 2 establishes tax benefits for investments in promissory notes issued by banks or financial corporations. These will no longer apply to investment certificates—especially those of mutual funds and deposits—which will be placed under the new savings incentives system that foresees tax credits on deposits and investments in mutual funds up to a ceiling of 30 percent of the taxable base. [passage omitted]

Colombia

Gaviria Agrees With Suspension of Talks With Venezuela

PA2506125193 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 25 Jun 93

[Report by Raul Gutierrez]

[Text] President Gaviria visited Puerto Carreno, Vichada on the Colombian-Venezuelan border on 24 June. After inaugurating an airstrip that cost 900 million pesos, the president said the neighboring country has always been of utmost strategic importance to Colombia. President Gaviria also said he agreed with the decision to suspend debates on proposals regarding the border dispute until next year.

[Begin Gaviria recording] I believe a suspension of the negotiations is not a defeat or a victory for anybody. It is a practical measure. As soon as he was chosen by Congress, the Venezuelan president stated that a suspension was necessary. The technical commissions will not work throughout the entire process. As the commissioners suggested, however, the reports on solutions presented to the presidents will be studied until the next Venezuelan Government assumes office. [end recording]

Changes Within National Police Announced

PA2406162293 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 24 Jun 93

[Text] On 23 June, the General Directorate of the National Police announced important changes within the institution's hierarchy.

Brigadier General Luis Enrique Montenegro Rinco, current director of the Judicial Police and Investigations Directorate [DIJIN], is now the director of the Bogota Metropolitan Police, replacing General Oscar Eduardo Pelaez Carmona, who will hold a position at the General Directorate. Meanwhile, the new director of the DIJIN is Lieutenant Colonel Alonso Arango Salazar.

Ecuador

President Duran Reportedly To Make Cabinet Changes

PA2406131493 Quito Voz de los Andes in Spanish 1200 GMT 24 Jun 93

[Text] A few weeks before the government of President Sixto Duran Ballen completes its first year in power, several ministers have resigned or plan to do so in the next few days. Therefore, President Duran has had to give up his intention of maintaining continuity in his government team.

The first change will take place on 24 June with the appointment of Patricio Abad as new health minister

replacing Leonardo Viteri. President Duran must also appoint a new minister of industries to replace Mauricio Pinto, who also resigned.

The government has decided to maintain the Ministry of Social Welfare, which is currently without a minister. According to unofficial sources, Jose Vicente Maldonado, the current secretary general of the administration, will be named social welfare minister, while while Carlos Larreategui will replace him as secretary general of the administration.

Finance Minister Mario Ribadeneira's resignation is expected; Roberto Baquerizo, Marcel Laniado, Carlos Julio Emanuel, and Pablo Lucio Paredes are some of the names mentioned for this post.

During the next few weeks, President Duran will have to make important changes in his cabinet, which has not remained stable despite his efforts.

Paraguay

Chamber of Deputies Rejects U.S. Ambassador's Intervention

PY2506013493 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 2353 GMT 24 Jun 93

[Text] The Chamber of Deputies has rejected the interventionist attitude of U.S. Ambassador Jon Glassman by releasing a declaration that was sent to the executive branch.

[Begin recording] [Reporter Benito Fleitas] The declaration that was approved after a long debate and close voting by the majority of the deputies, including Colorado Party members, establishes the need that U.S. Ambassador Jon Glassman refrain from intervening in the country's internal affairs and strictly observe the principle of self-determination and nonintervention established in the Republic of Paraguay's Constitution. [Colorado Party] Deputy Sandino Gill Oporto, who drew up the declaration, presented the evidence establishing the intervention of Glassman in the issues criticized by the deputies.

[Gill] The daily PATRIA of 19 July 1992, speech by U.S. Ambassador Jon Glassman at the National War College. Daily NOTICIAS: Marijuana was burned in Pedro Juan Caballero. The ceremony was attended by President Andres Rodriguez and U.S. Ambassador Jon Glassman. It seems a very important activity for the U.S. ambassador to go around burning weeds. It seems to be important that at least he does that. Glassman said that Phonegate [preceding word given in English] cannot be done without a court order. He is teaching Paraguayan justice how to act, note of the U.S. ambassador to the National Electoral Board of 1 July 1992. The United States conditions aid to the enforcement of democracy, 16 December 1992.

[Fleitas] Authentic Radical Liberal Party [PLRA] deputies and a Colorado Party member requested, however, a general declaration based on the Foreign Relations Committee resolution that took into account the criteria that the international political situation now takes into consideration some questions in which nonintervention in the internal affairs of other countries is overridden.

[PLRA Deputy Jose Felix Estigarribia] There is a change in international law and in international relations establishing that the principle of the absolute sovereignty of states give in to human rights and the need that representative democracy be extended to the people.

[Fleitas] A copy of this declaration will be sent to the congresses of countries that have diplomatic representatives in Paraguay. [end recording]

Official Downplays Possible Exclusion From U.S. GSP

PY2506013093 Asuncion ULTIMA HORA in Spanish 24 Jun 93 p 11

[Text] Justice and Labor Minister Oscar Paciello has played down the impact of the possible exclusion of our country from the U.S. Generalized System of Preferences (GSP). This possibility was raised by United Workers Trade Union Federation (CUT) leaders who said the measure would be the result of alleged labor right violations in Paraguay.

Paciello admitted the possibility of the exclusion but said he was "not concerned" because trade relations between our country and the United States are "practically nil." Paciello added: "The day it is shown to us that we sell to the United States anything whatsoever, I will cry because so far we have not even been able to sell them a pin."

It should be pointed out that the readmission of Paraguay into the GSP in 1991 after several decades of exclusion during the Stroessner dictatorship was recognized as a great gain and international recognition for the reestablishment and full enforcement of public freedom in our country within the democratization process implemented by the Andres Rodriguez administration.

Paciello, however, played down this possibility by saying that politically the situation does not affect the good relations between the two countries. "Where will the United States find a more faithful ally than Paraguay, a country more in agreement with democracy, and honored for its international behavior," asked Paciello when reporters indicated the possibility of sanctions.

Paciello added: "The lifting of the sanction was recognition for the people who passed from an autocracy to a democracy. And if they (the United States) feel we do not live in a democracy, to hell with it; we will invent another word to describe ourselves."

Regarding the comments made by Paciello this morning related to the possible dismissal of Labor Under Secretary Oscar Martinez Perez as a result of the approval without consultation of the collective ANDE [National Electric Power Administration] contract that was later revoked, Paciello said he has not taken a position in this regard. He added: "I am waiting for an initiative from Martinez."

Paciello said that the annulment of the collective contract between the ANDE state company and its employees, which was first approved by Martinez Perez, that lead to the conflict was made "strictly legitimate and legal."

He said: "In conflictive situations that are publicly known, it seems to me that the appropriate thing to do is to consult before taking the risk of approving decisions that may affect the functioning of the state structure."

Paciello added: "The criticisms I made are extremely serious. An effort was made through a contract to subvert nothing more than the entire state administrative order, a situation that cannot be allowed under any circumstance."

Paciello also referred this morning to the probable action the executive branch will carry out if the Labor Code bill is approved by Congress. He said: "The time has come to revise several universal issues. Principles that were apparently solid and unshakeable are being basically revised."

He added: "We cannot fill ourselves with rigid positions and established rules that in the long run will slow down or obstruct our competition in the international markets."

He said: "This issue has nothing to do with events involving three or four individuals who defend their personal interests; it has to do with visualizing the country's general interest."

Paciello added: "We must introduce rational ideas such as salaries in accordance with productivity to make the country progress. It is not a question of saying this is my right and caring less about the others. We must be more united and see what is best for Paraguay."

Paciello added: "We will study the legislative branch's bill in that perspective before deciding on this issue."

He said: "If the cabinet members and the president find there are no major faults and it will not represent an adverse factor in the country's development, the bill probably will be approved."

He added: "If it is perceived that it will represent an obstacle, an inconvenience to the nation's interest, an observation will be made and the study will continue until a real agreement satisfying the interest of the majority and not of a few is reached."

Chile's Bucchi Confirmed As Wasmosy's Economic Adviser

PY2506135793 Asuncion ABC COLOR in Spanish 24 Jun 93 p 9

[Text] Former Chilean Finance Minister Hernan Bucchi will be economic adviser to the new government headed by Juan Carlos Wasmosy after 15 August. Wasmosy confirmed this after a meeting with Bucchi yesterday.

At approximately 1515 yesterday Bucchi hastily left for Chile in Wasmosy's private aircraft due to a family emergency. Before leaving, however, he agreed with the future chief of state to permanently monitor the exchange and credit activities.

Bucchi will come once a month, at least, to Asuncion to check the projects that the government intends to implement and to detect alien factors that may jeopardize the privatization program.

Wasmosy's advisory team believes that measures must be taken to change the economy and to correct mistakes. The team is aware that it will have to endure pressures from the political, economic, and labor union fields but it is certain that the measures will be appreciated in the near future.

Bucchi will draw up a plan that, in phases, will determine the progress and changes that must be made in the country.

Among the reforms the new government hopes to implement is the creation of a banks superintendency which will gradually make the Central Bank independent.

Peru

CCD Commission Issues Ruling on La Cantuta Case

PA2506021793 Lima Global de Television Network in Spanish 0100 GMT 25 Jun 93

[Text] The Human Rights Commission of the Democratic Constituent Congress [CCD] on 24 June announced a much awaited ruling on the investigation into the disappearance of a professor and nine students from La Cantuta University.

The 50-page ruling was signed by Commission Chairman Roger Caceres, Gloria Helfer, and Carlos Cuaresma. They presented their ruling to the CCD leadership officially to ensure its inclusion in the 25 June plenary session debate.

The final report states there is no doubt that a military detachment entered the university and seized La Cantuta students and a professor from their dormitories. It says the Public Prosecutor's Office and Nicolas de Bari Hermoza, chief of the Armed Forces Joint Command, are also responsible.

[Begin Caceres recording] There is no doubt the (?Army) general command and the defense minister are responsible because of very objective facts. The incident took place in July 1992, nearly one year ago. It will be one year in a few days. Eight months passed before the incident was disclosed publicly, in March, and the investigation began in military courts in April. What happened in eight months? There was no evidence the Defense Ministry and Armed Forces Joint Command took any measures in regard to this case. [end recording]

Commission Members View Ruling

PA2506142793 Lima Panamericana Television Network in Spanish 1200 GMT 25 Jun 93

[Text] The suspense surrounding the report from the Democratic Constituent Congress [CCD] Human Rights Commission investigating the disappearance of a professor and nine students from La Cantuta University is finally over.

The said commission issued two rulings. One is a majority ruling establishing those responsible for the events and the other is a minority ruling that leaves the case in the hands of the military courts. Both rulings will be discussed on 25 June at the CCD plenum.

After several postponements, Roger Caceres Velasquez, president of the investigative commission; Gloria Helfer; and Carlos Cuaresma—who signed the majority ruling—presented the final report to the CCD on the events that took place at La Cantuta University on 18 July 1992.

The ruling states that the university was under military control on the day nine students and Professor Hugo Munoz disappeared. No one could enter or leave without the knowledge of the Army detachment.

The report states authorities of the 2d Military Region, Special Forces Division, and the Intelligence Service are responsible.

Although Congressman Caceres did not mention it, the ruling requests that General Nicolas Hermoza Rios be separated from his post as Army commander general due to alleged negligence.

Among the civilian authorities, questions were raised regarding the Attorney General's Office failure to file charges on the disappearances and the judges' rejection of the habeas corpus recourses filed by the relatives of the missing persons.

[Begin Caceres recording] It is beyond any doubt that the persons who have been reported missing will not be found. It is beyond any doubt that the relatives have undertaken all the possible efforts to try to locate them alive, or at least their remains. All these efforts have proven fruitless.

It is beyond any doubt that the responsible persons are the military commanders, who, on that date, allowed the entry of a military detachment, which visited the students' dormitories and the professor's home and took the missing persons. The troops that were controlling the university campus were involved in that operation. [end recording]

Gilberto Siura Cespedes and Jaime Freundt, Change-90/New Majority congressmen, presented a minority ruling that does not list who is responsible and leaves the investigations to the military courts.

[Begin Siura recording] I only have one thing to say: If we heed to that proposal and punish all those they say should be punished, what would happen in the country. There would be genuine chaos.

There is something else behind it, there is something more behind this incident. Some are trying to break this democratization process. I am not saying the institutions are impeccable or faultless; as we have said before, there have been mistakes.

Soldiers will be punished if there are soldiers involved in this case, but let the investigations continue. Let us not take advantage of the circumstances to undermine the prestige of an institution that is attaining peace for the country. [end recording]

Military Council Summons Witnesses in La Cantuta Case

PA2506150893 Lima Global de Television Network in Spanish 0100 GMT 25 Jun 93

[Text] The Supreme Military Justice Council issued an official communique on 24 June reporting that witnesses and relatives of students at La Cantuta University who were reported missing have not testified yet, although personal notifications were sent to them.

The Supreme Military Justice Council has therefore issued a second summons to eight witnesses who have not yet testified, warning them that they could be arrested if they refuse to do so.

CCD Ratifies Constitution Commission's Working Schedule

PY2406171993 Lima EXPRESO in Spanish 12 Jun 93 p A4

[Excerpt] After a fiery debate, the Democratic Constituent Congress [CCD] last night ratified the timetable for the Constituent Commission to discuss, approve, and publish the draft constitution which must end with its promulgation on 28 July.

The second draft constitution submitted by the editing subcommission will be published next week. This commission is made up of congressmen Enrique Chirinos Soto (Renewal Party), Carlos Torres y Torres Lara (NM-C90) [New Majority-Change 90) and Luis Enrique Thord (Code) [Democratic Convergence].

At the same time, the publication as of 15 May of the text approved by the Constituent Commission will continue until 30 June. [passage omitted]

Fujimori Reportedly Wants Constitutional Articles Reduced

PY2506023293 Lima EL COMERCIO in Spanish 15 Jun 93 p A4

[From the "Without Confirmation" column by Alfonso Baella Tuesta]

[Text] President Alberto Fujimori reportedly is not satisfied with the constitutional reform project that was approved by Congress in relation to its quantity (for the "excessive number of articles") and its quality (for being "too regulatory")

In this regard the government congressmen who recently took the draft reform to Government House reportedly did not return with happy faces because they had one more task: the commitment to the president to try and reduce the number of articles currently being debated from 300 to almost 200.

Regarding the consultation made by the congressmen with the president, it is worth recalling that when President Fujimori is asked his opinion about reelection, he usually says this is an issue that must be decided by Congress. But are there congressmen who feel the need to ask Fujimori what to do with the constitutional reform?

One thing is to coordinate with the executive power, and even gather suggestions, on proposals that are perfectly valid. Another thing is to accept the conditions he himself publicly says he does not make.

Workers Hold 'Violent' Demonstrations Near Congress

PA2506152993 Lima Global de Television Network in Spanish 0100 GMT 24 Jun 93

[Text) A large number of dismissed employees from the Fishmeal and Fish Oil Production Agency [Pescaperu] were involved in violent incidents near the Congress building around 1100 on 23 June. The demonstrators, who oppose privatization of the state-owned enterprise, demanded their reinstatement. An oversight by security forces at the legislative palace enabled the workers to reach the building's main gate. Policemen tried to disperse the troublemakers with tear gas and water cannons, but the workers refused to retreat and fought the guards. Several arrests were reported. Workers of the Peruvian Fishing Federation closed off the first block of Arequipa Avenue and demonstrated in front of the Argentina Embassy, asking the diplomatic officials to intercede on their behalf with President Alberto Fujimori's administration.

Police were also forced to disperse approximately 400 civil construction workers who also held a violent march to Congress. The workers gathered at Grau Square at 1400 to begin what started out as a peaceful march through the city streets.

[Begin unidentified worker recording] The government and businessmen do not want to begin direct talks on the collective bargaining agreement. This demonstration is intended to demand that collective bargaining talks begin at the National Claims Council. [end recor ling]

The workers took four guards by surprise at Bolivar Square on Bancay Avenue when they tried to enter the legislative palace. The guards used tear gas to disperse the crowd, and the workers promptly responded by hurling stones, bottles, and even wooden benches.

Disciplinary Board for Magistrates Confirms Justices

PY2406233293 Lima CARETAS in Spanish 17 Jun 93 p 23

[From the "Undercurrent" column]

[Text] The Disciplinary Board for Magistrates [JHM] decided last week to tip the scales of justice in favor of just one side, confirming in their posts all the Supreme Court magistrates appointed to provisionally occupy the posts of the incumbents, who were abruptly removed more than one year ago. Thus, the JHM intends to sanction the reforms militarily implemented by the executive branch after last year's self-inflicted coup. Things, however, are far from being resolved.

Six of the removed Supreme Court magistrates, namely former Supreme Court President Oscar Alfaro Alvarez; former Supreme Court President Hector Beltran Rivera; former Internal Control chief Guillermo Cabala Rossand; former Supreme Court member Jose Silva Vallejo; former Supreme Court member Gilber Baca d'La Sota; and former prosecutor Hugo Denegri Cornejo, not only failed to see their appeals cleared, but—so far—have not been informed of the charges that made their heads roll and—much less—have not been allowed to exercise their right to defense.

In a protest letter addressed to Democratic Constituent Congress [CCD] President Jaime Yoshiyama and CCD Justice Committee Chairman Cesar Fernandez Arce, Cabala Rossand stresses that he was summoned to just one meeting with JHM members, which "was held in an atmosphere of exquisite courtesy and in which I was invited to discuss what the proper Supreme Court and judicial branch structure should be, without any references to my performance as magistrate." A few months later, the JHM decided to keep Cabala Rossand out.

Explaining the outrage, JHM President Manuel de la Puente y Lavalle pointed out: "The evaluation of the petitions for reinstatement has been made bearing in mind the goal of forming a judicial branch that will meet special requirements and allowing neglected officials to apply for filling Supreme Court member and Supreme

Court prosecutor vacancies." In a nutshell, a more Solomonic decision than one made by Solomon himself.

Project To Replace Coca Shows 'Significant Achievements'

PY2506030593 Lima EL COMERCIO in Spanish 12 Jun 93 p A16

[Text] Cuzco, 11 Jun—The so-called La Convencion Valley Development Agreement (Codeva) project has reached significant achievements. This project involves gradually diversifying agriculture by introducing alternative products to replace coca crops.

Small flocks of goats, fish farms, guinea pig farms, hives, and cochineal [cochinilla] breeding centers, among other productive activities, have been installed in some hamlets in the exceptionally fertile valley.

Dr. Theo Paredes Yepez, the project's coordinator, reported that the valley's settlers and peasants already have replaced large coca crop areas with intermediate crops such as cacao and coffee, among other bread-and-butter products.

Paredes Yepez reported the existence of 3,500 hectares of coca, 2,800 hectares of coffee, 738 hectares of cacao, 412 hectares of annatto trees, 172 hectares of orchards, and 131 hectares of prickly pears, among other small parcels of bread-and-butter crops. This benefits more than 5,000 peasants, he said.

Paredes Yepez also reported the existence of 3,100 goats, 1,600 guinea pigs in 156 family farms, 641 hives and 96 beekeepers, 662 fish farms with 53,000 young fish, and 114 pigs in 50 farms.

Paredes Yepez explained that the Codeva project is sponsored by the UN Commission on Narcotic Drugs in order to propose alternative products to replace coca crops.

Paredez Yepez said Codeva provides technical and economic assistance to the peasants who voluntarily want to diversify their crops. Codeva also supports the implementation of minor irrigation projects and local road projects.

These projects benefit valley peasants, especially those in Pampa Real, Santa Ana, Maranura, Santa Teresa, Huayopata, and Kiteni, among other hamlets.

Six SL Members Accused of Car Bomb Attacks Captured

PA2406154493 Lima Global de Television Network in Spanish 0100 GMT 24 Jun 93

[Text] The National Counterterrorism Directorate [Dincote] presented six Shining Path [SL] members of the People's Aid of Peru (SPP) hierarchy who were captured on 4 June in Carapongo. These are the masterminds of the car bomb attacks on the Peruvian Air Force recruiting office and the Military Hospital.

As opposed to other occasions, this time the Dincote presented six subversives who were captured along with a few weapons, because they are members of the SPP's top committee section known as workers, neighborhoods, and laborers, [obrero, barrios, y trabajadores—OBT]. The six were captured on 4 June when the Dincote raided the former Carapongo ranch located in Huarochiri Province. Here they had set up their headquarters to plan, execute, and assess SL's actions. The documents seized disclose that they are the masterminds of the car bombs placed at the military hospital, the Education Ministry, the Air Forces' training school, that is, Abelardo Quinones, among others.

The following were presented: Moises Chipano, comrade Beto, leader of the OBT, 3d combatant; Aurelia Victoria Velarde Gonzalez, comrade Virineya, member of the OBT's hierarchy; Katia Rosina Cespedes Vasquez, alias Maria del Pilar Canosa Nunez, wanted [by the law]—she has been working underground for several years; Luis Guilermo Nevada Rojas, comrade Joaquin, second military in command in charge of carrying out the attacks; Segundo Marcial Minano Santamaria, comrade Fermin or Lino, political section; Ruben Rolando Rios Fernandez, alias Raul Chavez Sanchez, coordinator of subversive actions.

Venezuela

President Velasquez Issues Army Day Message

PA2406195593 Caracas Radio and Television Networks in Spanish 1440 GMT 24 Jun 93

[Message issued by President Ramon Jose Velasquez on the occasion of Army Day at Carabobo Field in Valencia; read by unidentified officer—live]

[Text] Caracas, 23 June 1993. Citizen Army Division General Jorge Isaac Tagliaferro de Lima, general commander of the Army, present.

Dear General: With this message in which I address words of congratulations and solidarity to the glorious Venezuelan Army, I am not only fulfilling a democratic government tradition, but the inescapable duty of the head of state and commander in chief of the national Armed Forces toward the soldiers of the Republic; men and women who are always willing to serve Venezuela and its institutions.

The celebration of the 272d anniversary of the second Carabobo battle is an appropriate occasion to acknowledge the exemplary work the Army has done over almost two centuries of national life for the country's defense and progress. This is the same Army which, under orders from the liberator Simon Bolivar, gathered in the fields of Cojedes on that June in 1821. That small Army of tough compatriots led by Paez, Plaza, and Cedeno, who sealed freedom on the immortal fields of the Carabobo grasslands, is today a harmonious, modern, technical group capable of guaranteeing the nation's sovereignty and integrity.

The Army's leadership, formed by highly trained officers who have studied at military, as well as civilian schools and universities, conducts command policies in such a

manner that the Army can maintain a perfect relationship with Venezuela's modern society and with the institutions that govern the state's destiny.

The country is progressing harmoniously and this progress has been possible because the Army and its sister forces guarantee security throughout the width and breadth of Venezuela. Our borders have been carefully guarded by Venezuelan soldiers. Their presence and their resolve to serve and make sacrifices has allowed businesses, commerce, the sciences, the city and countryside, and all who—be they Venezuelans or not—live in the fatherland, to devote their time to make the country more prosperous and affirmative in its dedication to democracy and more capable of dealing with demands for development and justice.

We are experiencing a historical social crisis that involves all sectors of national life. Internal peace has been shaken and the Armed Forces have perceived this political, economic, and social event. Damage has been done to the Army and to the other forces, but the Venezuelan soldiers' conviction that the democratic system creates greater freedom and a more promising future, has been vital to Venezuela. This conviction and the mature and responsible attitude of the troop commanders has minimized the damage done to the institution, and will undeniably prompt the Venezuelan family to continue on the path to consolidation as a society in which understanding and reason prevail over violence and anxiety.

Allow me, then, to make these statements of singular institutional maturity, to express my great regard as president of all Venezuelans to the members of the Army and to the entire military community in general.

When I was sworn in at the National Congress to conclude this presidential term, I likewise assumed a great responsibility as commander of the national Armed Forces. The investiture bestowed upon me obliges me to devote myself to learn the problems and needs that this force may have at all levels. Thus, I have set as my next goal the establishment of rapprochement and coexistence with the professional officers and troops, who can guide me in resolving the concerns and making the improvements which, within the reach of the current government, will help to raise the morale and social conditions of ground forces and help equip them and make them efficient in combat.

To this end I am turning to you, Division General, so that through the usual methods you will inform the entire Army that I am willing to listen to their statements and requests. To this I add that I would be very pleased to have men in uniform talk with me and to establish close ties between civilian and military power.

Div. Gen. Jorge Tagliaferro de Lima, I here conclude my message, but not without first expressing to you on this anniversary of the Venezuelan Army, and to the general officers, high-ranking officers and subordinates, noncommissioned career officers, cadets, professional troops, enlisted troops, and civilian personnel that are members of the highly regarded force under your command, my congratulations and ardent desire for your well-being in every sense. I am invoking the God of all the Armies to enlighten the efforts of every commander and to steer them in the direction of horizons of prosperity, justice, and a future worthy of our great fatherland.

Army Reinstates 273 Officers

PA2406173393 Paris AFP in Spanish 1927 GMT 21 Jun 93

[Text] Caracas, 21 Jun (AFP)—The Venezuelan Army has reinstated 273 officers who participated in two military rebellions in 1992, "who assuming a sensible and courageous attitude have rectified their paths," outgoing Army Commanding General Remigio Rangel Rojas said on 21 June.

Rangel, who has retired, transferred the general command to Division General Jorge Tagliaferro de Lima during a ceremony held at the Military Academy in Caracas.

Rangel described the past two years as "the most difficult in Venezuela's modern democracy, a democracy that has faced pressures not only from those who tried to interrupt its course with weapons, but also in alarming proportions by those who have participated in a campaign that seeks to ruin values, lives, and reputations."

He accused the latter of "destroying the hopes for peace, harmony, and finding solutions of common interest."

The 4 February 1992 rebellion was headed by four Army lieutenant colonels while the 27 November movement was headed mainly by high Air Force officers, as well as Army and Navy officers.

The transfer of the Army's General Command initiates changes within the Venezuelan Armed Forces, after the Senate approved a controversial list of 154 military promotions a week ago.

The changes were made following the suspension of President Carlos Andres Perez, who faced two military coup attempts in 1992 and who has been called to trial for presumed corruption and embezzlement.

The list of promotions was signed by Octavio Lepage, who occupied the Presidency for 15 days after Perez was suspended on 21 May, and who has returned to his former position of Congress president.

Lepage's decision spared a headache to President Ramon J. Velasquez, who must govern until February 1992 when the current five-year constitutional term expires.

Venezuelan presidential and legislative elections are scheduled for 5 December.